

FEDERAL REGISTER

THE NATIONAL ARCHIVES
OF THE UNITED STATES
1934

VOLUME 12 NUMBER 194

Washington, Friday, October 3, 1947

TITLE 3—THE PRESIDENT

PROCLAMATION 2748

CLOSED AREA UNDER THE MIGRATORY BIRD TREATY ACT, ILLINOIS

BY THE PRESIDENT OF THE UNITED STATES
OF AMERICA
A PROCLAMATION

WHEREAS the Secretary of the Interior has submitted to me for approval the following regulation adopted by him, after notice and public procedure pursuant to section 4 of the Administrative Procedure Act of June 11, 1946 (60 Stat. 238) under authority of the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755, 16 U. S. C. 704) and Reorganization Plan No. II (53 Stat. 1431)

REGULATION DESIGNATING AS CLOSED AREA CERTAIN LANDS AND WATERS IN ALEXANDER COUNTY, ILLINOIS

By virtue of and pursuant to the authority contained in section 3 of the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755, 16 U. S. C. 704) Reorganization Plan No. II (53 Stat. 1431) and in accordance with the provisions of section 4 of the Administrative Procedure Act of June 11, 1946 (60 Stat. 238) I, J. A. Krug, Secretary of the Interior, having due regard to the zones of temperature and to the distribution, abundance, economic value, breeding habits, and times and lines of flight of the migratory birds herein referred to and included in the terms of the conventions between the United States and Great Britain for the protection of migratory birds, concluded August 16, 1916, and between the United States and the United Mexican States for the protection of migratory birds and game mammals, concluded February 7, 1936, and in consideration of the obligation imposed by said treaties of insuring the preservation of said migratory birds, do hereby designate as closed area, effective November 3, 1947, in or on which pursuing, hunting, taking, capturing, or killing of all species of wild geese, or attempting to take, capture, or kill such wild geese is not permitted, all that area of land and water situate in Alexander County, Illinois, within the following described exterior boundary:

Third Principal Meridian

Beginning at the intersection of the center line of Sand Ridge Road with the center line of the main track of the Chicago & Eastern Illinois Railroad, said point being approximately in the center of section 28, T. 16 S., R. 2 W.,

Thence southwesterly and westerly, with the center line of the main track of said Chicago & Eastern Illinois Railroad, through Olive Branch, and T. 16 S., R. 2 W., sections 28, 29, 32 and 31, and through T. 16 S., R. 3 W., sections 36 and 35, approximately 5.1 miles to the intersection of the center line of the main track of the aforesaid railroad with the center line of a road leading southwesterly, about one-half mile southeast of Fayville;

Thence southwesterly, with the center line of said road, crossing the Missouri Pacific Railroad approximately 1,650 feet to the left (east) bank of the Mississippi River, near the upper end of Burnham Island;

Thence southeasterly, with the left bank of the Mississippi River, through T. 16 S., R. 3 W., sections 2, 11, 12, 13 and 24, and through T. 16 S., R. 2 W., sections 19, 30 and 31, approximately 6.1 miles, to a point on the left bank of said river at the intersection with the north sixteenth line of section 31, T. 16 S., R. 2 W.,

Thence east, with the north sixteenth line of said section 31, approximately 1,800 feet, to the intersection of said line with the center line of a public road, in the NE¼ of said section 31;

Thence northeasterly, with the center line of said public road, through sections 31 and 29, approximately 3,400 feet to the intersection of the center line of said road with the center line of the Miller City Road, in the SW¼ of said section 29;

Thence southeasterly, easterly and northerly, with the center line of the Miller City Road, through sections 29, 23, 27 and 22, through Willard, approximately 3.8 miles to a point at Roth, on the Missouri Pacific Railroad, in the line common to sections 22 and 23, T. 16 S., R. 2 W., in the center line of a county road;

Thence north, with the center line of said County Road, between sections 22 and 23, and between sections 14 and 15 of said township, approximately one mile, to the intersection of the center line of said road with the center line of the Promised Land Road;

Thence northeasterly, with the center line of said Promised Land Road, crossing the Illinois Central Railroad, through sections 14, 13 and 12, of said township, approximately 2.2 miles to the intersection of the center line of said road with the center line of the

(Continued on p. 6523)

CONTENTS

THE PRESIDENT

Proclamation	Page
Illinois; closed area under Migratory Bird Treaty Act.....	6521

EXECUTIVE AGENCIES

Agriculture Department	
See also Rural Electrification Administration.	
Rules and regulations:	
Irish potatoes grown in Michigan, Wisconsin, Minnesota, and North Dakota; modification of general cull regulation.....	6523
Alien Property, Office of	
Notices:	
Vesting orders, etc..	
Ackermann & Fritze Luxus-Porzellan-Fabrik.....	6559
Arming, Frances.....	6559
Costs and expenses incurred in certain Massachusetts, Rhode Island, New Hampshire and Connecticut court actions.....	6562
Damm, Willmar O.....	6563
Dietrich, Marga.....	6559
Doitsu Seiko K. K.....	6560
Donat, Adolf, Jr., et al.....	6560
Fritze, Johannes.....	6560
Hellmann, Erich, and Rudolf A. Mahn.....	6557
Kawashima, K., and Max Paetau.....	6561
Kuh, Hermann.....	6558
Lachman, Johanna.....	6561
Michaels, Anna, and Robert Michaels.....	6561
Rels & Co. A. G.....	6562
Siegel, Jacob.....	6562
Wohlke, Annie H.....	6558
Civil Service Commission	
Rules and regulations:	
Appointment to scientific, technical and professional positions, formal education requirements; Junior Professional Assistant (Corr.).....	6523
Personnel, transfer to public international organizations in which U. S. Government participates or to American Missions.....	6523



Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, the National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The *FEDERAL REGISTER* will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the *FEDERAL REGISTER*.

1946 SUPPLEMENT to the CODE OF FEDERAL REGULATIONS

The following books are now available:

Book 1. Titles 1 through 8, including, in Title 3, Presidential documents in full text with appropriate reference tables and index.

Book 2: Titles 9 through 20.

Book 3: Titles 21 through 31.

Book 4: Titles 32 through 37

These books may be obtained from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., at \$3.50 per copy.

A limited sales stock of the 1945 Supplement (4 books) is still available at \$3 a book.

CONTENTS—Continued

Customs, Bureau of	Page
Notices:	
Products of British Malaysia and colony of Singapore, marking of country of origin.....	6552
Federal Communications Commission	
Notices:	
Hearings, etc..	
Berkshire Broadcasting Corp. and WLAD-FM.....	6554

RULES AND REGULATIONS

CONTENTS—Continued

Federal Communications Commission—Continued	Page
Notices—Continued	
Hearings, etc.—Continued	
Patroon Broadcasting Co., Inc., and WPTR.....	6554
Scripps-Howard Radio, Inc., et al.....	6553
Stanton, Patrick Joseph, et al.....	6553
Virgin, Mrs. W. J., et al.....	6553
WFEA and WVMA.....	6554
Federal Power Commission	
Notices:	
Hearings, etc..	
Alabama-Tennessee Natural Gas Co.....	6554
Kentucky Natural Gas Corp.....	6555
Federal Trade Commission	
Rules and regulations:	
Cease and desist order: Lanzette Laboratories.....	6524
Fish and Wildlife Service	
Rules and regulations:	
Proclamations designating areas closed to hunting; Alexander County, Ill.....	6551
Interstate Commerce Commission	
Notices:	
Reconsignment:	
Chicago, Ill.	
Grapes.....	6555
Lettuce.....	6555
Prunes at Philadelphia, Pa.....	6555
Rules and regulations:	
Pipe line companies: uniform system of accounts.....	6527
Land Management, Bureau of	
Notices:	
Montana; opening of public lands restored from Sun River Project.....	6552
Post Office Department	
Rules and regulations:	
Philippines, Republic of, change in mail service.....	6524
Streptomycin, mailing to overseas A. P. O.'s prohibited.....	6526
Public Health Service	
Rules and regulations:	
Fellowships; miscellaneous amendments.....	6526
Rural Electrification Administration	
Rules and regulations:	
Organization; miscellaneous amendments.....	6523
Securities and Exchange Commission	
Notices:	
Hearings, etc..	
American Water Works and Electric Co., Inc., et al.....	6557
Interstate Power Co. and Ogden Corp.....	6556
Long Island Lighting Co.....	6556
Social Security Administration	
Rules and regulations:	
Insurance benefits, Federal old-age and survivors, in case of deceased World War II veterans.....	6551

CODIFICATION GUIDE—Con.

Treasury Department	Page
See also Bureau of Customs.	
Notices:	
Italian lira; collection of duty in cases involving conversion of currency.....	6552
War Assets Administration	
Rules and regulations:	
Contractor inventory and disposals by owing agencies; small lots:	
Sales.....	6551
Special cases to be declared surplus.....	6552

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such in parentheses.

Title 3—The President	Page
Chapter I—Proclamations:	
2748.....	6521
Title 5—Administrative Personnel	
Chapter I—Civil Service Commission:	
Part 24—Formal education requirements for appointment to certain scientific, technical and professional positions.....	6523
Part 26—Transfer of personnel to public international organizations in which the United States Government participates or to American missions.....	6523
Title 6—Agricultural Credit	
Chapter IV—Rural Electrification Administration, Department of Agriculture:	
Part 400—Organization, functions and procedures.....	6523
Title 7—Agriculture	
Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders)	
Part 960—Irish potatoes grown in Michigan, Wisconsin, Minnesota, and North Dakota.....	6523
Title 16—Commercial Practices	
Chapter I—Federal Trade Commission:	
Part 3—Digest of cease and desist orders.....	6524
Title 20—Employees' Benefits	
Chapter III—Social Security Administration (Old-Age and Survivors Insurance), Federal Security Agency:	
Part 403—Federal old-age and survivors insurance.....	6551
Title 32—National Defense	
Chapter XXIII—War Assets Administration:	
Part 8309—Contractor inventory and disposals by owing agencies (2 documents).....	6551, 6552
Title 39—Postal Service	
Chapter I—Post Office Department:	
Part 21—International postal service.....	6524
Part 29—Mail service for members of armed forces overseas.....	6526

CODIFICATION GUIDE—Con.

Title 42—Public Health	Page
Chapter I—Public Health Service, Federal Security Agency	
Part 61—Fellowships.....	6526
Title 49—Transportation and Railroads	
Chapter I—Interstate Commerce Commission:	
Part 20—Pipe line companies; uniform system of accounts...	6527
Title 50—Wildlife	
Chapter I—Fish and Wildlife Service, Department of the Interior:	
Part 8—Proclamations designat- ing areas closed to hunting...	6551

main track of the Mobile & Ohio Railroad, in the SE¼ of section 12, about 800 feet west of Cache River;

Thence northerly, with the center line of the main track of said Mobile & Ohio Railroad, through sections 12 and 1, approximately 1.2 miles, to a point in the center line of the main track of the aforesaid railroad, in the SE¼ of said section 1, about 1,320 feet north of the south boundary of said section, at Unity;

Thence northwesterly, approximately 625 feet to a point in the center line of a road running northwesterly, in the SE¼ of section 1;

Thence northwesterly, with the center line of a road, through said section 1, approximately 4,400 feet to the intersection with the line between sections 1 and 2, T. 16 S., R. 2 W.,

Thence northerly, continuing with the center line of said road, through T. 16 S., R. 2 W., between sections 1 and 2, and through T. 15 S., R. 2 W., between sections 35 and 36, approximately one and one-fourth miles to junction of roads north, and northwest;

Thence northwesterly and westerly, with the center line of Sand Ridge Road, through sections 35 and 26, T. 15 S., R. 2 W., approximately one and one-fourth miles to a point in the center line of Sand Ridge Road at the junction with a road north, in the W½ of said section 26;

Thence westerly, with the center line of said Sand Ridge Road, through sections 26, 27 and 28 of said township, approximately 1.8 miles, to the Place of Beginning.

IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the seal of the Department of the Interior to be affixed this 25th day of September 1947.

[SEAL]

J. A. KRUG,
Secretary of the Interior

AND WHEREAS upon consideration it appears that the foregoing regulation will tend to effectuate the purposes of the aforesaid Migratory Bird Treaty Act of July 3, 1918:

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, under and by virtue of the authority vested in me by the aforesaid Migratory Bird Treaty Act of July 3, 1918, do hereby approve and proclaim the foregoing regulation of the Secretary of the Interior.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 1st day of October in the year of our Lord nineteen hundred and [SEAL] forty-seven, and of the Independence of the United States of America the one hundred and seventy-second.

HARRY S. TRUMAN

By the President:

ROBERT A. LOVETT,
Acting Secretary of State.

[F. R. Doc. 47-9003; Filed, Oct. 2, 1947;
12:12 p. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 24—FORMAL EDUCATION REQUIREMENTS FOR APPOINTMENT TO CERTAIN SCIENTIFIC, TECHNICAL AND PROFESSIONAL POSITIONS

JUNIOR PROFESSIONAL ASSISTANT; AGRICULTURAL ECONOMIST AND FARM MANAGEMENT SUPERVISOR

Correction

In Federal Register Document 47-8861, appearing on page 6447 of the issue for Wednesday, October 1, 1947, subdivision (i) of subparagraph (11) of § 24.36 (a) should read as follows:

(i) A full 4-year course, in a college or university of recognized standing, leading to a bachelor's degree in agricultural economics, or study leading to a degree in the closely allied fields of general economics, business administration, political science or sociology, including at least 12 semester hours in agricultural economics and 3 semester hours in statistics; or

PART 26—TRANSFER OF PERSONNEL TO PUBLIC INTERNATIONAL ORGANIZATIONS IN WHICH THE UNITED STATES GOVERNMENT PARTICIPATES OR TO AMERICAN MISSIONS

EFFECTIVE DATE

Section 26.11, *Effective date*, which was inadvertently omitted in the revision of Part 26 (12 F. R. 5971), is hereby added as follows:

§ 26.11 *Effective date*. This part shall be effective as of May 10, 1946.

(Sec. 5, E. O. 9721, May 10, 1946, 11 F. R. 5209; E. O. 9362, May 31, 1947, 12 F. R. 3558)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] H. B. MITCHELL,
President.

[F. R. Doc. 47-6932; Filed, Oct. 2, 1947;
8:46 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Rural Electrification Administration, Department of Agriculture

PART 400—ORGANIZATION, FUNCTIONS AND PROCEDURES

DELEGATIONS OF FINAL AUTHORITY

Effective September 22, 1947, Part 400 of Title 6, issued September 11, 1946 (11

F. R. 177A-294 to 296, inclusive), is hereby amended as follows:

1. By deleting all of paragraph (k) of § 400.4 and substituting therefor a new paragraph (k) to read as follows:

§ 400.4 *Delegations of final authority.*

(k) Authority to approve line construction materials contracts between borrowers and third parties "for Claude R. Wickard, Administrator" has been delegated to Chief, Engineering Division, to each Assistant Chief, Engineering Division, and the Head of the Construction Cost Analysis Section of the Engineering Division. (In addition to Deputy Administrator and Assistant Administrator.)

2. By adding after § 400.4 (k) the following paragraph:

(1) Authority has been delegated to each Assistant Chief, Engineering Division and to the Head of the Construction Cost Analysis Section of the Engineering Division (in addition to Deputy Administrator, Assistant Administrator and Chief, Engineering Division)

(1) To approve Construction Contract Amendments "for Claude R. Wickard, Administrator"

(2) To approve agreements involving less than three hundred dollars (\$300) to move poles to avoid physical interference with telephone lines, "for Claude R. Wickard, Administrator."

(R. S. 161, sec. 3, 60 Stat. 238; 5 U. S. C. and Sup., 22, 1002)

Issued this 29th day of September 1947.

[SEAL] CLINTON P. ANDERSON,
Secretary of Agriculture.

[F. R. Doc. 47-6349; Filed, Oct. 2, 1947;
8:45 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders)

PART 960—IRISH POTATOES GROWN IN MICHIGAN, WISCONSIN, MINNESOTA, AND NORTH DAKOTA

MODIFICATION OF GENERAL CULL REGULATION

§ 960.302 *Modification of General Cull Regulation*—(a) *Findings*. It is hereby found that: (1) Pursuant to the provisions of § 960.4 of Marketing Order No. 60, regulating the handling of Irish potatoes grown in the States of Michigan, Wisconsin, Minnesota, and North Dakota, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, § 960.301 *General Cull Regulation* was issued September 16, 1947, was published in the Federal Register on September 13, 1947 (12 F. R. 6256), and was effective 12:01 a. m., c. s. t., September 22, 1947, and

(2) Pursuant to the provisions of § 960.301, not more than 5 percent of the potatoes in any container in any shipment subject to such regulation may be seriously damaged by hollow heart, and

(3) Pursuant to the provisions of § 960.4 (b) of Marketing Order No. 60,

the North Central Potato Committee recommends to the Secretary that § 960.301 be modified to allow shipment thereunder of Irish Cobbler variety of potatoes, grown in Kittson, Marshall, Polk, Norman, and Mahanomen Counties in the State of Minnesota and in Pembina, Cavalier, Walsh, Grand Forks, and Trail Counties in the State of North Dakota without regard to defects therein caused by serious damage from hollow heart because (i) serious damage from hollow heart in approximately 25 percent of such variety of potatoes grown in the aforesaid counties is in excess of the tolerance for defects permitted by § 960.301, and (ii) hollow heart is an internal defect and potatoes damaged thereby cannot be eliminated from containers or shipments by any customary sorting process, and

(4) The modification of § 960.301, in accordance with the aforesaid recommendations of the North Central Potato Committee will tend to effectuate the declared policy of Agricultural Marketing Agreement Act of 1937, as amended, and

(5) It is hereby further found that compliance with the notice, public rule making procedure, and 30-day effective date requirements of the Administrative Procedure Act (Public Law 404, 79th Cong., 60 Stat. 237) is impracticable and contrary to the public interest in that the time intervening between the date when the information, upon which the proposed order is based, became available and the time when this order must become effective, in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient for such compliance.

(b) *Order* (1) On and after 12:01 a. m., c. s. t., October 5, 1947, and until suspended or further modified pursuant to § 960.4 of Marketing Order No. 60, potatoes of the Irish Cobbler variety grown in that portion of the production area defined in subparagraph (2) hereof, which do not meet the requirements of U. S. No. 2 or better grade, as such grades are defined in said U. S. Standards for potatoes (12 F. R. 3651) only because of serious damage from hollow heart shall not be prohibited from shipment under the terms and provisions of § 960.301 (12 F. R. 6256)

(2) That portion of the production area to which this modification applies is defined as follows: The counties of Kittson, Marshall, Polk, Norman, Mahanomen, in the State of Minnesota, and the counties of Pembina, Cavalier, Walsh, Grand Forks, and Trail in the State of North Dakota.

(3) As used in this section the terms "shipment" and "regulation" shall have the same meaning as when used in Marketing Order No. 60. (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.)

Done at Washington, D. C., this 1st day of October 1947.

[SEAL] C. F. KUNKEL,
Acting Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 47-8988; Filed, Oct. 2, 1947; 10:10 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 5401]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

LANZETTE LABORATORIES

§ 3.6 (b) *Advertising falsely or misleadingly—Qualities or properties of product or service*: § 3.72 (k 15) *Offering deceptive inducements to purchase or deal—Returns and reimbursements*. I. In connection with the offering for sale, sale, or distribution of respondent's device designated "Lanzette" or any other device of substantially similar character, whether sold under the same name or any other name, disseminating, etc., any advertisements by means of the United States mails, or in commerce, or by any means to induce, directly or indirectly the purchase in commerce, etc., of said device, which advertisements represent, directly or through inference, (1) that said device will permanently terminate the growth of superfluous hair on the face or body of the user; or, (2) that the use of said device will have any beneficial effect upon the skin of the user in excess of producing a transient glow or ruddiness; and, II, in connection with the offering for sale, sale, and distribution in commerce, of a device for the removal of superfluous hair from the face or body, (a) representing that the purchase price of such device will be refunded to any dissatisfied customer unless such refunds are in fact made; or, (b) misrepresenting in any manner the terms or conditions upon which refunds of all or any part of the purchase money paid for said device will be made; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., sec. 45b) [Cease and desist order, Lanzette Laboratories, Docket 5401, Sept. 2, 1947]

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 2d day of September A. D. 1947.

In the Matter of Edward A. Hoke, Doing Business Under the Name Lanzette Laboratories

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondent, and a stipulation as to the facts entered into between the respondent herein and Daniel J. Murphy, Assistant Chief Trial Counsel for the Commission, which provides, among other things, that without further evidence or other intervening procedure the Commission may make its findings as to the facts and conclusion and enter its order disposing of the proceeding, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

I. *It is ordered*, That respondent Edward A. Hoke, trading as Lanzette Laboratories, or under any other name, his

representatives, agents, and employees, directly or through any corporate or other device in connection with the offering for sale, sale, or distribution of his device designated "Lanzette," or any device of substantially similar character, whether sold under the same name or any other name, do forthwith cease and desist from directly or indirectly:

A. Disseminating or causing to be disseminated, by means of the United States mails or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which represents, directly or through inference:

1. That said device will permanently terminate the growth of superfluous hair on the face or body of the user.

2. That the use of said device will have any beneficial effect upon the skin of the user in excess of producing a transient glow or ruddiness.

B. Disseminating or causing to be disseminated, by any means, for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase of said device in commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which contains any of the representations prohibited in paragraph A above.

II. *It is further ordered*, That respondent Edward A. Hoke, trading as Lanzette Laboratories, or under any other name, his representatives, agents, or employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of a device for the removal of superfluous hair from the face or body, do forthwith cease and desist from:

A. Representing that the purchase price of such device will be refunded to any dissatisfied customer unless such refunds are in fact made.

B. Misrepresenting in any manner the terms or conditions upon which refunds of all or any part of the purchase money paid for said device will be made.

III. *It is further ordered*, That the respondent shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 47-8924; Filed, Oct. 2, 1947; 8:47 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 21—INTERNATIONAL POSTAL SERVICE

SERVICE TO FOREIGN COUNTRIES; CHANGE IN MAIL SERVICE TO REPUBLIC OF PHILIPPINES

The regulations under the Country, "Philippines (Republic of the)" in Part 21, Subpart B, Service to Foreign Countries; Alphabetical List, of Title 39 (12 F. R. 3301) are amended to read as follows:

PHILIPPINES (REPUBLIC OF THE)

(a) Regular mails—(1) Classifications, rates, weight limits, and dimensions.

Classification	Rates	Weight limits	Dimensions
Letters ¹	3 cents an ounce or fraction.	4 pounds, 6 ounces..	Length, breadth and thickness combined, 35 inches; greatest length, 24 inches. When sent in the form of a roll the length (the maximum of which is 32 inches) plus twice the diameter is limited to 45 inches; however, in the case of indivisible objects, the length (49 inches maximum) plus twice the diameter may be as much as 48 inches.
Post cards.....	2 cents single; 4 cents reply-paid.	Maximum 6 by 4 1/4 inches; minimum 4 by 2 3/4 inches.
Printed matter:			
In general.....	1 1/2 cents each 2 ounces ² ..	11 pounds ³	Same as letters.
Single volumes.....	1 1/2 cents each 2 ounces.....	22 pounds.....	Do.
For the blind.....	1 cent each 2 pounds, 3 ounces.	15 pounds, 6 ounces..	Do.
Books.....	5 cents each pound.....	22 pounds.....	Do.
Samples.....	1 1/2 cents each 2 ounces; minimum charge, 3 cents.	18 ounces.....	Do.
Commercial papers.....	1 1/2 cents each 2 ounces; minimum charge, 5 cents.	4 pounds, 6 ounces..	Do.
Small packets.....	3 cents each 2 ounces; minimum charge, 15 cents.	2 pounds, 3 ounces..	Do.

¹ This includes packages containing merchandise which are paid at the letter rate.² All second-class matter mailed by publishers or registered news agents to the Philippine Islands is subject to the postage rates prescribed in §§ 5.39-5.47 of this chapter.³ As an exception, packages containing legal, educational, medical and scientific books may weigh up to 22 pounds when addressed for delivery in cities in the Philippines.

(2) *Special delivery.* Articles in the regular mails (but not parcel post) will be accepted for special delivery in the Philippine Islands according to the regulations for special delivery service in force in that country. The special delivery fee is 20 cents in addition to the regular postage.

(3) *Air-mail service.* Postage rate, 25 cents one-half ounce.

(4) *Money-order service.* See §§ 17.51 to 17.97 of this chapter.

(5) *Combination packages.* Accepted.

(6) *Registry.* The maximum indemnity for loss (total loss, that is, envelope or wrapper and total contents) of registered articles to the Philippine Islands is \$16.33. The registry fee is 20 cents per article.

All articles in the regular mails may be accepted for registration when addressed for delivery at Manila or at any of the following cities:

City and Province

Abulug	Cagayan.
Agricultural School (Munoz)	Nueva Ecija.
Alaminos	Pangasinan.
Allen	Samar.
Angeles	Pampanga.
Aparri	Cagayan.
Aringay	La Union.
Atimonan	Quezon.
Bacacay	Albay.
Bacnotan	La Union.
Bacolod City	Negros Occidental.
Bacon	Sorsogon.
Baganga	Davao.
Baguio City	Mountain Province.
Balanga	Bataan.
Baler	Quezon.
Baliuag	Bulacan.
Ballesteros	Cagayan.
Bangued	Abra.
Basay	Samar.
Basco	Batanes.
Batangas	Batangas.
Bauan	Batangas.
Bautista	Pangasinan.
Bay	Laguna.
Baybay	Leyte.
Bayombong	Nueva Vizcaya.
Binan	Laguna.
Boac	Marinduque.
Bontoc	Mountain Province.
Borongan	Samar.
Bulan	Sorsogon.

City and Province—Continued

Butuan	Agusan.
Cabanatuan	Nueva Ecija.
Cagayan	Micamis Oriental.
Calamba	Laguna.
Calapan	Mindoro.
Calauag	Quezon.
Calbayog	Samar.
Calocan	Rizal.
Camiling	Tarlac.
Candelaria	Zambales.
Candon	Ilocos Sur.
Capas	Tarlac.
Capiz	Capiz.
Catarman	Samar.
Catbalogan	Samar.
Cavite City	Cavite.
Cebu City	Cebu.
College (Los Banos)	Laguna.
Concepcion	Tarlac.
Cotabato	Cotabato.
Cullon	Palawan.
Daet	Camarines Norte.
Dagami	Leyte.
Dagupan	Pangasinan.
Dansalan	Lanao.
Davao City	Davao.
Dipolog	Zamboanga.
Dumaguete	Negros Oriental.
Dumanjug	Cebu.
Echague	Isabela.
Fabrica	Negros Occidental.
Gapan	Nueva Ecija.
Gingoog	Micamis Oriental.
Gonzaga	Cagayan.
Guagua	Pampanga.
Guinayangan	Quezon.
Guinobatan	Albay.
Guluan	Samar.
Gumaca	Quezon.
Headquarters, P. A. (Calocan)	Rizal.
Iba	Zambales.
Iigan	Isabela.
Iligan	Lanao.
Iloilo City	Iloilo.
Iriga	Camarines Sur.
Isabela de Basilan	Zamboanga.
Jabonga	Agusan.
Jimenez	Micamis Occidental.
Jolo	Sulu.
Jose Panganiban	Camarines Norte.
Kalibo	Capiz.
Kiangan	Mountain Province.
Laoag	Ilocos Norte.
Laoang	Samar.

City and Province—Continued

Larena	Negros Oriental.
Lazi	Negros Oriental.
Legaspi	Albay.
Libagon	Leyte.
Liloan	Leyte.
Lingayen	Pangasinan.
Lipa	Batangas.
Llorente	Samar.
Los Banos	Laguna.
Lubuagan	Mountain Province.
Lucena	Quezon.
Maasin	Leyte.
Madridejos	Cebu.
Mabati	Rizal.
Malabang	Lanao.
Malaybalay	Bukidnon.
Mallibog	Leyte.
Malolos	Bulacan.
Mambajao	Micamis Oriental.
Mandaluyong	Rizal.
Manila	Philippines.
Mapandan	Pangasinan.
Masbate	Masbate.
Mauban	Quezon.
Micamis	Micamis Occidental.
MFC (PA) Headquarters	(Quezon City), Rizal.
Naga	Camarines Sur.
Nagcarlan	Laguna.
Naguilian	Isabela.
Narvacan	Ilocos Sur.
Odiangan	Romblon.
Orani	Bataan.
Ormoc	Leyte.
Oroquieta	Micamis Occidental.
P. A. Headquarters (Calocan)	Rizal.
Paganjan	Laguna.
Palompon	Leyte.
Pambujan	Samar.
Pinamalayan	Mindoro.
Pandan	Antique.
Paniqui	Tarlac.
Paracale	Camarines Norte.
Paranaque	Rizal.
Passay (Changed to Rizal City)	Rizal.
Pasig	Rizal.
Plaridel	Micamis Occidental.
Pola	Mindoro.
Puerto Princesa	Palawan.
Pulupandan	Negros Occidental.
Quezon City	Rizal.
Rapu-Rapu	Albay.
Romblon	Romblon.
S. Carlos	Pangasinan.
S. Cruz	Ilocos Sur.
S. Cruz	Laguna.
S. Cruz	Zambales.
S. Felipe	Zambales.
S. Fernando	La Union.
S. Fernando	Pampanga.
S. Ildro	Nueva Ecija.
S. Jacinto	Pangasinan.
S. Jose	Antique.
S. Jose	Mindoro.
S. Jose	Nueva Ecija.
S. Juan	Batangas.
S. Juan	Rizal.
S. Maria	Ilocos Sur.
S. Miguel	Bulacan.
S. Pablo City	Laguna.
S. Quintin	Pangasinan.
Sibalom	Antique.
Sinloan	Laguna.
Sogod	Leyte.
Sorsogon	Sorsogon.
Surigao	Surigao.
Taal	Batangas.
Tabaco	Albay.
Tacloban	Leyte.
Taft	Samar.
Tagaytay City	Cavite.
Tagbilaran	Bohol.
Tagkawayan	Quezon.
Tagudin	Ilocos Sur.
Tanauan	Batangas.

City and Province—Continued

Tarlac -----	Tarlac.
Tayug -----	Pagasinan.
Toledo -----	Cebu.
Tuao -----	Cagayan.
Tuguegarao -----	Cagayan.
Urdaneta -----	Pangasinan.
Vigan -----	Ilocos Sur.
Virac -----	Catanduanes.
Wright -----	Samar.
Zamboanga (city) -----	Zamboanga.

(7) *Prohibitions.* No list has been furnished of articles specially prohibited. See § 21.22 of this part.

(b) *Parcel post.*—(1) *Postage rates, weight limits, and dimensions.* The postage rate applicable to parcel post is 14 cents per pound or fraction. The maximum dimensions are 6 feet in length and girth combined and 3½ feet maximum length, except that parcels may measure up to 4 feet in length on condition that parcels over 42 and not over 44 inches in length do not exceed 24 inches in girth, parcels over 44 and not over 46 inches in length do not exceed 20 inches in girth, and parcels over 46 inches and up to 4 feet in length do not exceed 16 inches in girth. Only ordinary (unregistered and uninsured) parcels may be sent. The weight limit is 44 pounds for parcels for the cities of Manila, Baguio, Iloilo, Cebu, Zamboanga, and Davao, and the municipality of Tacloban in the Province of Leyte. The weight limit for all other places in the Philippine Islands is 11 pounds except that parcels containing legal, educational, medical and scientific books may weigh up to 22 pounds when addressed for delivery in cities in the Philippines.

(2) *Customs declaration.* A customs declaration (Form 2986) must be attached to each parcel post package sent to the Philippine Islands. Also in the case of merchandise sent other than as parcel post to the Philippine Islands a green label Form 2976 (C 1) showing that the article is to be submitted to the customs authorities for examination must be affixed to the address side of the package. The paper form of customs declaration (Form 2976-A) properly completed by the sender or an invoice must also be enclosed in the package.

(3) *Certificates of origin.* Certificates of origin must accompany shipments of merchandise of United States origin (wholly or in part) exceeding \$10.00 in value. No special form is required and the prescribed certificate should be written or hand-stamped on the regular commercial invoices. The certificates should read as follows:

"I hereby certify that the above-described articles are the growth, product, or manufacture of the United States or its possessions, and that no drawback of import duties has been or will be claimed thereon, and that this invoice is true and correct in all particulars."

The invoices bearing such certificate should be prepared in duplicate and signed by a duly authorized agent of the shipper, his title to be shown beneath the signature. The original copy of the certified invoice should be signed before a notary public or a deputy collector of customs authorized to administer oaths.

The certificate of origin is not required for shipments valued at \$10.00 or less and should not be used for articles of foreign origin shipped from the United States to the Republic of the Philippines. Invoices covering articles of foreign origin should state the country of origin.

(4) *Prohibitions.* No list of articles specially prohibited has been furnished. See § 21.63 of this part.

(5) *Additional information.* Sealing of parcels is optional. There is no provision for group shipments of parcel-post packages. There is no provision for c. o. d. service for parcel-post packages.

One parcel-post sticker (Form 2922) must be affixed to each package.

NOTE: Incoming mail from the Philippines is subject to the same customs inspection and handling given mail from other countries in accordance with part 22 of this chapter and sections 2229 and 2230 of the Postal Laws and Regulations of 1940.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369, 372)

The changes made by this amendment shall be effective October 1, 1947.

[SEAL] J. M. DONALDSON,
Acting Postmaster General.

[F. R. Doc. 47-8917; Filed, Oct. 2, 1947;
8:45 a. m.]

PART 29—MAIL SERVICE FOR MEMBERS OF ARMED FORCES OVERSEAS

MAILING OF STREPTOMYCIN TO OVERSEAS A. P. O.'S PROHIBITED

Section 29.12 (12 F. R. 6462) is amended by adding a new paragraph reading as follows:

§ 29.12 *Prohibited articles.* * * *

The transmission of streptomycin for delivery through the overseas Army postal service is prohibited. Postmasters have been instructed to take such steps as may be necessary to prevent acceptance of streptomycin to any overseas A. P. O.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] ROBERT E. HANNEGAN,
Postmaster General.

[F. R. Doc. 47-8918; Filed, Oct. 2, 1947;
8:45 a. m.]

TITLE 42—PUBLIC HEALTH

Chapter I—Public Health Service, Federal Security Agency

Subchapter E—Fellowships, Internships, Training

PART 61—FELLOWSHIPS

MISCELLANEOUS AMENDMENTS

Part 61, Fellowships (12 F. R. 6199) is amended as follows:

1. Section 61.9 (b) (2) is amended to read:

§ 61.9 *Benefits.* * * *

(b) * * *

(2) Individuals appointed to regular fellowships may be granted customary vacations as authorized by the school or other institution to which they are assigned, or, if they are located at a laboratory or other facility of the Federal Government, as authorized by the Public Health Service. Stipends will not be increased, or be paid beyond the term of a fellowship, on account of vacation an individual might be entitled to but does not take.

2. Section 61.9 (c) is amended to read:

(c) Traveling expenses; service fellowships: Individuals appointed to service fellowships shall be entitled to transportation and subsistence expenses while traveling on official business on the same basis as other civilian employees of the Public Health Service.

3. Section 61.9 is amended by adding thereto the following new paragraph (d)

(d) Transportation and subsistence allowances; regular fellowships: Individuals appointed to regular fellowships may, when authorized by the Public Health Service, be granted separate allowances for transportation and subsistence expenses, not exceeding those authorized by the Standardized Government Travel Regulations, on account of (1) travel to the place at which he is to be located during the term of the fellowship; and (2) travel required in carrying out the purposes of the fellowship. Allowances will not be made for transportation expenses of dependents, or for shipping charges for personal effects or household goods, or for travel of an individual to his home or other place at the termination of the term of his fellowship.

4. Section 61.10 is amended to read:

§ 61.10 *Tuition and other expenses.* Separate allowances may be granted for actual tuition costs and related fees, as authorized by the Public Health Service. Payment of such costs and fees may be made by the Service directly to the institution or facility concerned.

5. Section 61.11 is amended to read:

§ 61.11 *Publications.* All publications resulting from work carried on under a Public Health Service fellowship are to carry appropriate acknowledgment thereof. The holder of the fellowship shall furnish two copies of each such publication to the Public Health Service.

6. Section 61.12 is amended to read:

§ 61.12 *Duration of fellowships.* Appointments to fellowships may be for varying periods, such as for a school year, but shall not exceed sixteen months. Upon the recommendations of a Fellowship Board, the Surgeon General (a) may extend or renew an appointment; and (b) may terminate an appointment before its expiration date on the request of the fellow, or because of unsatisfactory performance, unfitness, or inability to carry out the purposes of the fellowship.

(Secs. 208 (d) 301 (c) 402 (d), 58 Stat. 686, 692, 707; 42 U. S. C. Sup. 209 (d), 241 (c), 262 (d))

[SEAL] C. L. WILLIAMS,
Acting Surgeon General.

Approved: September 29, 1947.

OSCAR R. EWING,
Federal Security Administrator.

[F. R. Doc. 47-8918; Filed, Oct. 2, 1947;
8:46 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

PART 20—PIPE LINE COMPANIES: UNIFORM SYSTEM OF ACCOUNTS

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 22d day of August A. D. 1947.

The matter of accounting regulations for pipe line companies being under consideration pursuant to the provisions of section 20 (3) of the Interstate Commerce Act, as amended; and

It appearing, that such regulations, as they were in force June 1, 1938, were published in the First Edition of the Code of Federal Regulations under this chapter and title, but were substantially modified by an order dated November 27, 1942, which order was filed with the Director of the Division of the Federal Register but was not published in the FEDERAL REGISTER or in supplements to the Code; and

It further appearing, that the accounting regulations for pipe lines, so modified, are substantive rules which are required by section 3 (a) (3) of the Administrative Procedure Act to be published currently in the FEDERAL REGISTER, but no general notice of proposed rule making as contemplated by section 4 of that act is required because said amended regulations were prescribed prior to the effective date of such requirement (54 Stat. 917, 49 U. S. C. 20 (3))

Sec.
20.00 Order of the Commission.

INTRODUCTION

20.0-0 General instructions.
20.0-1 Records.
20.0-2 Definitions.
20.0-3 Unaudited items.
20.0-4 Delayed items.
20.0-5 Profits and losses from foreign exchange.
20.0-6 Interpretation of item lists.
20.0-7 Submission of questions.
20.0-8 Depreciation accounting.

BALANCE SHEET INSTRUCTIONS

20.0-20 Form of balance sheet statement.
20.0-21 Purpose of balance-sheet accounts.
20.0-22 Current assets.
20.0-23 Book value of securities owned.
20.0-24 Company securities owned.
20.0-25 Income from sinking, insurance, and other reserve funds.
20.0-26 Discount and premium on capital stock.
20.0-27 Discount, premium, and expense on funded debt.
20.0-28 Conversion of securities.
20.0-29 Contingent assets and liabilities.
20.0-30 Reorganizations.

BALANCE SHEET ACCOUNTS

INVESTMENTS

20.1 Investment in carrier property.
20.2 Cost of organization.
20.3 Operating oil supply.
20.4 Sinking funds.
20.5 Miscellaneous physical property.
20.6 Investments in affiliated companies.
20.7 Other investments.
20.8 Company securities owned.

CURRENT ASSETS

Sec.
20.9 Cash.
20.10 Demand loans and deposits.
20.11 Time drafts and deposits.
20.12 Special deposits.
20.13 Notes receivable.
20.14 Agents' balances.
20.15 Revenue receivable.
20.16 Accounts receivable.
20.17 Material and supplies.
20.18 Interest and dividends receivable.
20.19 Rents receivable.
20.20 Other current assets.

DEFERRED DEBITS

20.21 Working-fund advances.
20.22 Insurance and other funds.
20.23 Rents and insurance premiums paid in advance.
20.24 Taxes paid in advance.
20.25 Discount on capital stock.
20.26 Discount on funded debt.
20.27 Extraordinary maintenance expense.
20.28 Other deferred debits.

STOCK

20.51 Capital stock.
20.52 Liability for conversion of stock.
20.53 Premium on capital stock.
20.54 Capital-stock installments.

LONG-TERM DEBT

20.55 Funded debt unmatured.
20.56 Receivers' certificates.
20.57 Nonnegotiable debt to affiliated companies.

CURRENT LIABILITIES

20.58 Notes payable.
20.59 Joint revenue payable.
20.60 Wages payable.
20.61 Accounts payable.
20.62 Interest matured unpaid.
20.63 Dividends matured unpaid.
20.64 Funded debt matured unpaid.
20.65 Unmatured dividends declared.
20.66 Unmatured interest accrued.
20.67 Unmatured rents accrued.
20.68 Taxes accrued.
20.69 Other current liabilities.

DEFERRED CREDITS AND RESERVES

20.70 Liability for provident funds.
20.71 Premium on funded debt.
20.72 Insurance reserve.
20.73 Operating reserves.
20.74 Accrued depreciation; carrier property.
20.75 Amortization reserve.
20.76 Accrued depreciation; miscellaneous physical property.
20.78 Other deferred credits.
20.79 Reserve for adjustment of investment in securities.

CORPORATE SURPLUS

20.80 Unearned surplus.
20.81 Appropriated earned surplus.
20.82 Earned surplus.

CARRIER PROPERTY INSTRUCTIONS

20.0-31 Purpose of carrier-property accounts.
20.0-32 Statement of carrier-property accounts.
20.0-33 Basis of charges.
20.0-34 Pipe-line operating property purchased.
20.0-35 Items to be charged.
20.0-36 Cost of construction.
20.0-37 Units of carrier property.
20.0-38 Retirements and replacements.
20.0-39 Relocations.

CARRIER-PROPERTY ACCOUNTS

20.100 Text pertaining to carrier-property accounts.

GATHERING LINES

Sec.
20.101 Land.
20.102 Rights-of-way.
20.103 Line pipe.
20.104 Line-pipe fittings.
20.105 Pipe-line construction.
20.106 Buildings.
20.107 Boilers.
20.108 Pumping equipment.
20.109 Machine tools and machinery.
20.110 Other station equipment.
20.111 Oil tanks.
20.112 Delivery facilities.
20.113 Communication systems.
20.114 Office furniture and equipment.
20.115 Vehicles and other work equipment.
20.116 Other property.

TRUNK LINES

20.151 Land.
20.152 Rights-of-way.
20.153 Line pipe.
20.154 Line-pipe fittings.
20.155 Pipe-line construction.
20.156 Buildings.
20.157 Boilers.
20.158 Pumping equipment.
20.159 Machine tools and machinery.
20.160 Other station equipment.
20.161 Oil tanks.
20.162 Delivery facilities.
20.163 Communication systems.
20.164 Office furniture and equipment.
20.165 Vehicles and other work equipment.
20.166 Other property.

GENERAL

20.171 Land.
20.176 Buildings.
20.179 Machine tools and machinery.
20.183 Communication systems.
20.184 Office furniture and equipment.
20.185 Vehicles and other work equipment.
20.186 Other property.
20.191 Construction work in progress.
20.192 Unadjusted investments.
20.193 Acquisition adjustment.

EARNED SURPLUS INSTRUCTIONS

20.0-41 Purpose of earned surplus accounts.

EARNED SURPLUS ACCOUNTS

CREDIT

20.301 Income balance.
20.302 Credits from retired carrier property.
20.304 Miscellaneous credits.

DEBIT

20.312 Debts from retired carrier property.
20.314 Miscellaneous debits.
20.315 Miscellaneous reservations of surplus.
20.316 Stock discount extinguished through surplus.
20.317 Dividend appropriations of surplus.

INCOME INSTRUCTIONS

20.0-51 Purpose of income accounts.
20.0-52 Statement of income accounts.
20.0-53 Form of income statement.

INCOME ACCOUNTS

CREDIT

20.401 Operating revenues.
20.403 Income from miscellaneous operating physical property.
20.404 Income from miscellaneous nonoperating physical property.
20.405 Dividend income.
20.406 Interest income.
20.407 Income from insurance and other reserve funds.
20.408 Release of premium on funded debt.
20.409 Miscellaneous income.
20.410 Delayed income credits.

RULES AND REGULATIONS

DEBIT	
Sec.	
20.411	Operating expenses.
20.412	Pipe-line taxes.
20.413	Taxes on miscellaneous operating physical property.
20.414	Miscellaneous taxes.
20.415	Miscellaneous income charges.
20.416	Interest on long-term debt.
20.417	Interest on unfunded debt.
20.418	Amortization of discount on funded debt.
20.419	Contingent interest on debt.
20.420	Miscellaneous reservations of income.
20.421	Stock discount extinguished through income.
20.422	Dividend appropriations of income.
20.423	Bad debts.
20.424	Delayed income debits.

OPERATING REVENUES INSTRUCTIONS

20.0-61	Purpose of operating-revenue accounts.
20.0-62	Statement of operating-revenue accounts.
20.0-63	Miscellaneous operations.

OPERATING-REVENUE ACCOUNTS

20.500	Text pertaining to operating-revenue accounts.
--------	--

GATHERING LINES

20.501	Transportation revenue.
20.502	Storage and demurrage revenue.
20.503	Rent revenues.
20.504	Miscellaneous revenue.

TRUNK LINES

20.551	Transportation revenue.
20.552	Storage and demurrage revenue.
20.553	Rent revenues.
20.554	Miscellaneous revenue.

OPERATING EXPENSES INSTRUCTIONS

20.0-71	Purpose of operating-expense accounts.
20.0-72	Statement of operating-expense accounts.
20.0-73	Miscellaneous operations.
20.0-74	Maintenance expenses.
20.0-75	Cost of repairs.
20.0-76	Royalties on appliances.
20.0-77	Distribution of pay and expenses of employees.
20.0-78	Deferring charges to operating expenses.
20.0-79	Equalization of expenses.

OPERATING-EXPENSE ACCOUNTS

20.600	Text pertaining to operating-expense accounts.
--------	--

GATHERING LINES

Maintenance

20.601	Superintendence.
20.602	Repairs of pipe lines.
20.604	Repairs of buildings.
20.605	Repairs of pumping stations.
20.606	Repairs of oil tanks.
20.607	Repairs of delivery facilities.
20.608	Repairs of communication systems.
20.609	Repairs of office furniture and equipment.
20.610	Repairs of vehicles and other work equipment.
20.611	Repairs of other property.
20.612	Other expenses.
20.613	Depreciation.
20.614	Extraordinary retirements.

Transportation

20.621	Superintendence.
20.622	Operation of pipe lines.
20.623	Operation of pumping stations.
20.624	Operation of oil tanks.
20.625	Operation of delivery facilities.
20.626	Operation of communication systems.
20.627	Oil shortage.
20.628	Other expenses.

General Office	
Sec.	
20.631	General office salaries.
20.632	General office supplies and expenses.
20.633	Law expenses.

Other Expenses

20.634	Injuries to persons.
20.635	Relief and pensions.
20.636	Damage to property.
20.637	Stationery and printing.
20.638	Insurance.
20.639	Casualty losses.
20.640	Operating rents.
20.641	Other expenses.

TRUNK LINES

Maintenance

20.651	Superintendence.
20.652	Repairs of pipe lines.
20.654	Repairs of buildings.
20.655	Repairs of pumping stations.
20.656	Repairs of oil tanks.
20.657	Repairs of delivery facilities.
20.658	Repairs of communication systems.
20.659	Repairs of office furniture and equipment.
20.660	Repairs of vehicles and other work equipment.
20.661	Repairs of other property.
20.662	Other expenses.
20.663	Depreciation.
20.664	Extraordinary retirements.

Transportation

20.671	Superintendence.
20.672	Operation of pipe lines.
20.673	Operation of pumping stations.
20.674	Operation of oil tanks.
20.675	Operation of delivery facilities.
20.676	Operation of communication systems.
20.677	Oil shortage.
20.678	Other expenses.

General Office

20.681	General office salaries.
20.682	General office supplies and expenses.
20.683	Law expenses.

Other Expenses

20.684	Injuries to persons.
20.685	Relief and pensions.
20.686	Damage to property.
20.687	Stationery and printing.
20.688	Insurance.
20.689	Casualty losses.
20.690	Operating rents.
20.691	Other expenses.

GENERAL CLEARING ACCOUNTS

Maintenance

20.751	Superintendence.
20.752	Repairs of pipe lines.
20.754	Repairs of buildings.
20.758	Repairs of communication systems.
20.759	Repairs of office furniture and equipment.
20.761	Repairs of other property.
20.762	Other expenses.
20.763	Depreciation.

Transportation

20.771	Superintendence.
20.776	Operation of communication systems.

General Office

20.781	General office salaries.
20.782	General office supplies and expenses.
20.783	Law expenses.

Other Expenses

20.784	Injuries to persons.
20.785	Relief and pensions.
20.787	Stationery and printing.
20.788	Insurance.
20.790	Operating rents.
20.791	Other expenses.

CLEARING ACCOUNTS INSTRUCTIONS

20.0-91	Purpose of clearing accounts.
---------	-------------------------------

CLEARING ACCOUNTS

Sec.	
20.801	Vehicles and other work equipment expenses.
20.802	Shop expenses.
20.803	Material store expenses.
20.804	Machine tools and machinery; maintenance.

Appendix A—List of accounting units of property.

AUTHORITY: §§ 20.00 to 20.804, inclusive, issued under sec. 20, 24 Stat. 386, as amended, 54 Stat. 917; 49 U. S. C. 20 (3).

SPECIAL NOTE: In the regulations under Part 20 of this chapter the numbers assigned to sections thereof include as a whole number, following the decimal point, the number of the prescribed account. Where references throughout the regulations are to an account, as such, only the account number portion of the section number is used. For example: Account 1, "Investment in carrier property," may be mentioned in the instructions or in the text of another account, and will be found as § 20.1 under balance sheet. Sections devoted to instructions, as distinguished from the texts of the prescribed accounts, are numbered § 20.0, with the prescribed instruction number following a dash.

§ 20.00 *Order of the Commission.* It is ordered, that: The "Uniform System of Accounts for Pipe Lines," with all modifications currently effective, together with a copy of this order, shall be filed with the Director of the Division of the Federal Register for publication in the FEDERAL REGISTER, and that a copy of this order be deposited in the office of the Secretary of the Commission at Washington, D. C.

INTRODUCTION

§ 20.0-0 *General instructions.* The serially numbered instructions, which are introduced by this section, relate to matters of general accounting terms and procedure. Each major grouping of accounts prescribed hereinafter is preceded by a list of instructions pertaining specifically to those accounts.

§ 20.0-1 *Records.* (a) The carrier's records shall be kept with sufficient particularity to show fully the facts pertaining to all entries in these accounts.

(b) Where the full information is not recorded in the general books the entries therein shall be supported by other records in which the full details shall be shown and the general-book entries shall contain sufficient reference to the detail records to permit ready identification.

(c) The detail records shall be filed in such manner as to be readily accessible for examination by representatives of this Commission.

(d) Attention is directed to the following extract from section 20 of the Interstate Commerce Act:

Any person who shall wilfully make any false entry in the accounts of any book of accounts or in any record or memoranda kept by a carrier, or who shall wilfully destroy, mutilate, alter, or by any other means or device falsify the record of any such account, record, or memoranda, or who shall wilfully neglect or fail to make full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the carrier's business, or shall keep any other accounts, records, or memoranda than those prescribed or approved by the Commission, shall be deemed guilty of a misdemeanor, and shall be subject, upon conviction, in any court of the United States of

competent jurisdiction, to a fine of not less than one thousand dollars nor more than five thousand dollars or imprisonment for a term not less than one year nor more than three years, or both such fine and imprisonment: *Provided*, That the Commission may, in its discretion, issue orders specifying such operating, accounting or financial papers, records, books, blanks, tickets, stubs, or documents of carriers which may, after a reasonable time, be destroyed, and prescribing the length of time such books, papers, or documents shall be preserved.

The Commission's order specifying records which may be destroyed is contained in its "Regulations to Govern the Destruction of Records."

(e) Accounts which are clearly summaries of other accounts prescribed herein (for example, account 55, "Funded debt unmatured," which summarizes the balance in the several funded debt accounts) are not required to be kept in the carrier's books.

(1) Carriers may subdivide any of the accounts, provided such subdivisions do not impair the integrity of the accounts prescribed.

(2) The titles of all such subdivisions or subaccounts shall refer by number or title to the accounts of which they are subdivisions.

(3) When subaccounts are thus kept, it is not required that the main accounts of which they are subdivisions also shall be kept in the carrier's books.

(4) Clearing accounts, in addition to those prescribed herein, may be kept when necessary in making the proper distribution of items to the appropriate primary accounts.

(5) As of the effective date of this system of accounts, the several accounts prescribed herein shall be opened by appropriately transferring thereto the balances carried in the accounts previously maintained by the carrier.

(6) The carrier is permitted for code or other purposes to prefix or suffix to the account numbers prescribed herein, letter or number designations providing that such additions do not impair the integrity of the prescribed account numbers.

(7) The carrier is authorized to make such subdivisions, reclassifications, or consolidations of such balances as are necessary to meet the requirements of this system of accounts.

(8) Temporary or experimental accounts may be kept in addition to the accounts prescribed in this part for the purpose of developing the efficiency of operations, etc. *Provided*, Such accounts do not impair the integrity of any accounts provided in this part.

(f) The accounts for each month shall be recorded currently.

(g) The general-ledger balance of each suspense or open account as of the close of each month shall be verified by comparison with the total of the detail items covered therein, except that when so authorized by this Commission upon showing that the integrity of any ledger account can be maintained with less frequent verification of the balances, verifications may be made at periods designated in this Commission's specific authority.

(h) Balances shall be struck for each account at the close of each calendar

year and the balances thus determined in each account at the close of each year shall be carried forward to the corresponding account for the succeeding year.

§ 20.0-2 *Definitions*. When used in this system of accounts the term:

(a) "Actually issued," as applied to certificates of capital stock or evidences of funded debt issued or assumed by the carrier means those which have been sold to bona fide purchasers for a valuable consideration (including those issued in exchange for other securities or other property) under the condition that the purchasers secured them free from all control by the issuing carrier.

(b) "Actually outstanding," as applied to certificates of capital stock or evidences of funded debt means those which have been "actually issued" and are not held by or for the carrier.

(c) "Affiliated companies," means:

(1) Controlled companies, i. e., companies solely controlled by the carrier, and also companies jointly controlled by the carrier and others under a joint arrangement.

(2) Controlling companies, i. e., companies solely controlling the carrier and also companies which jointly control the carrier under a joint arrangement.

(3) Companies controlled by controlled companies.

(4) Companies controlled by controlling companies.

(i) By "control," is meant the ability to determine the action of a company. For the purposes of this instruction the following are to be considered forms of control:

(a) Right through title to securities issued or assumed by the controlled company to exercise the major part of the voting power in the controlled company.

(b) Right through agreement or through sources other than title to securities to name the majority of the board of directors, managers, or trustees of the controlled company.

(c) Right to foreclose a priority lien upon all or a major part in value of the tangible property of the controlled company.

(d) Right to secure control in consequence of advances made for construction of the property of the controlled company.

(ii) A leasehold interest in the property of a company is not, for the purpose of these accounts, to be classed as a form of control over the lessor company.

(iii) Sole control is that which rests in one company.

(iv) Joint control is that which rests in two or more companies, and which is held under a joint arrangement.

(d) "Book cost" or "book value" means the amount at which assets are to be recorded in the accounts of the carrier.

(e) "Book liability" means the amount at which securities issued or assumed by the carrier and other liability items are to be recorded in the accounts of the carrier.

(f) "Carrier" means common carrier.

(g) "Carrier property" means physical property used in pipe-line service and physical property held for such service under a definite plan.

(h) "Cost of removal" means the cost of demolishing, tearing down, dismantling, removing, or otherwise disposing of carrier property and recovering the salvage.

(i) "Debt expense," as applied to debt, means all expenses in connection with the issue and sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds, certificates of indebtedness, and other commercial paper; fees paid trustees; specific costs of obtaining governmental authority fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing such evidence of debt; fees and expenses of listings on exchanges; and other like costs.

(j) "Delayed items" means items relating to transactions which occurred before the current calendar year, including adjustments of errors.

(k) "Depreciable accounts" are those in which it is required shall be recorded the cost of those classes of property for which depreciation charges in operating expenses and other accounts are prescribed by this system of accounts.

(l) "Depreciation" means the loss in service value not restored by current maintenance and incurred in connection with the consumption or prospective retirement of physical property in the course of service from causes against which the carrier is not protected by insurance, which are known to be in current operation, and the effect of which can be forecast with a reasonable approach to accuracy.

NOTE: Among the causes which may result in the loss of the service value of depreciable property are:

(a) Physical depreciation.

(b) Obsolescence.

(c) Inadequacy.

(d) Decline and exhaustion of the traffic which the property was designed to transport.

(m) "Discount," as applied to actually outstanding securities issued or assumed by the carrier, means the excess of the par value of the securities plus interest or dividends accrued at the date of the sale over the current money value of the consideration received at their sale.

(n) "Group plan," as applied to depreciation accounting, means the plan under which depreciation charges are accrued upon the basis of the book cost of all property included in each depreciable account, using the average service life thereof properly weighted, and upon the retirement of any depreciable property its full service value is charged to the depreciation reserve whether or not the particular item has attained the average service life.

(o) "Investment advances" means advances, represented by notes or by book accounts which it is mutually agreed or intended between the creditor and the debtor shall be settled by the issuance of capital stock or funded debt and advances not subject to current cash settlement.

(p) "Minor items," as applied to carrier property other than land, means any part or element thereof which is not

designated as a unit of property in Appendix A.

(q) "Nominally issued," as applied to certificates of capital stock or evidences of funded debt, means those which have been signed, certified, or otherwise executed and placed with the proper officer for sale or pledged or otherwise placed in some special fund of the carrier but which have not been sold.

(r) "Nominally outstanding," as applied to certificates of capital stock or evidences of funded debt, means those which, after being actually issued, have been reacquired by or for the carrier under such circumstances as require them to be held alive and not canceled or retired.

(s) "Nonaffiliated companies" means all companies other than those defined as affiliated in paragraph (c) of this section.

(t) "Noncarrier property" means property neither used in nor held under a definite plan for pipe-line service or service incidental thereto.

(u) "Nondepreciable accounts" are those in which shall be recorded the book cost of those classes of property for which no charges to operating expenses for depreciation are permitted.

(v) "Original cost," as applied to carrier property, means actual construction cost if of record and estimated if not of record.

(w) "Pipe-line operations" and "pipe-line service" means the service by common carriers in transporting oil or other commodities, except water and natural or artificial gas, by pipe lines and service incidental thereto.

(x) "Premium," as applied to actually outstanding securities issued or assumed by the carrier, means the excess of the current money value of the consideration received at their sale over the sum of their par value and interest or dividends accrued at the date of the sale.

(y) "Property retired," as applied to carrier property, means property which has been removed, sold, abandoned, destroyed, or otherwise withdrawn from pipe-line service, and not held for such service.

NOTE: The dismantling or tearing down of a structure or a unit of equipment in order to replace parts thereof with improved parts, the purpose of which is to modernize the unit and to extend its life beyond its original expectation of life, shall be accounted a retirement, but the dismantling or stripping of such property only to the extent necessary to recondition or to replace in kind defective parts shall be accounted as repairs. (This does not apply to oil-line pipe and line-pipe fittings.)

(z) "Replacement" means the installation of physical property in substitution of other property which has been retired.

(aa) "Retirement," as applied to physical property, means the permanent withdrawal of the property from the service in which it has been used.

(bb) "Service life" means the period between the time of installation and the time of retirement of carrier property.

(cc) "Service value," as applied to carrier property, is the book cost thereof plus the cost to the carrier of salvaging

the property and less the value of the salvage therefrom.

NOTE: The cost of recovering less than units of line pipe and fittings which are replaced in kind shall be included in operating expenses and not as a factor in the service value of such property. (See also text of accounts 602, 652, 752, "Repairs of pipe lines.")

(dd) "Shop plant" means a shop or group of shops for the repairs and/or construction of carrier property.

(ee) "Straight-line method," as applied to depreciation accounting, means the plan under which the service value or property is charged to operating-expense, carrier-property, and clearing accounts and credited to account 74, "Accrued depreciation—Carrier property," through equal annual charges based on established rates applied to the book cost of the property during its service life.

(ff) "The carrier" means the accounting company.

(gg) "These accounts" means the accounts of the particular group to which the instruction relates; for example, if used in connection with the carrier's property accounts it means accounts 101 to 193, inclusive.

(hh) "Time of installation" means the date at which carrier property is completed and/or placed in pipe-line service.

(ii) "Time of retirement" means the date at which carrier property is withdrawn from pipe-line service.

(jj) "Value of salvage" means the amount received for property retired, or for the material salvaged therefrom, if sold, or if retained the value at which the property or the material salvaged therefrom is chargeable to account 17, "Material and supplies," or other accounts of this system of accounts.

§ 20.0-3 *Unaudited items.* When the amount of any known item affecting the income accounts cannot be accurately determined in time for inclusion in the accounts of the calendar year in which the transaction occurs, the amount of the item shall be estimated and included in the proper account and credited to account 78, "Other deferred credits," or charged to account 28, "Other deferred debits," as may be appropriate, the necessary adjustments to be made (through the account in which was recorded the estimate) when the item is audited. If, during the interval between the date of inclusion of the item in the accounts and the date on which it is audited, a substantial difference is determined between the initial estimate and the actual amount of the item, appropriate adjustment shall be made in the current accounts to cover such difference. The carrier shall preserve in its files a record of the information upon which this supplemental estimate is based. The carrier is not required to anticipate minor items which would not appreciably affect the accounts.

§ 20.0-4 *Delayed items.* Delayed items shall be charged or credited to the same accounts which should have been charged or credited if the items had been taken up or adjusted in the period to which they pertain. When the amount

of a delayed item is relatively so large that its inclusion in the accounts for a single month would seriously distort those accounts, it may be distributed in equal amounts within the current and remaining months of the calendar year.

(b) If the amount of any delayed item is relatively so large that its inclusion in the accounts for a single year would seriously distort those accounts, the carrier, if so authorized, upon application to this Commission, may distribute to the delayed income accounts so much of the amount as may be authorized. In requesting the authority, the carrier shall file with this Commission the full particulars concerning each item and the reasons which, in its judgment, indicate the propriety of such accounting.

§ 20.0-5 *Profits and losses from foreign exchange.* Profits and losses from premiums and discounts on foreign exchange shall be included in account 409, "Miscellaneous income," or account 415, "Miscellaneous income charges," as may be appropriate.

§ 20.0-6 *Interpretation of item lists.* Lists of "items" appearing in the texts of the several accounts are given for the purpose of clearly indicating the application of the accounting rules in specific cases. The lists are not to be considered as comprising all the items includible in the several accounts, but merely as representative of them. On the other hand the appearance of an item in a list warrants the inclusion of such item in the account concerned only when the text of the account also indicates inclusion, inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

§ 20.0-7 *Submission of questions.* To the end that uniformity of accounting may be maintained, the carrier shall submit all questions of doubtful interpretation of the accounting rules to this Commission for consideration and decision.

§ 20.0-8 *Depreciation accounting—(a) Computing and filing of depreciation rates.* (1) The carrier shall file with this Commission composite annual percentage rates estimated to be applicable to the book cost of each class of depreciable carrier property owned or used by it. These percentage rates shall be based on the estimated service values and service lives developed by a study of the carrier's history and experience and such engineering and other information as may be available with respect to prospective future conditions. These percentage rates shall be computed in conformity with the group plan of accounting for depreciation and shall be such that the loss in service value of the property, except for losses excluded under the definition of depreciation may be distributed under the straight-line method during the service life of the property. Such percentage rates shall for each primary account comprised of more than one class of property, produce a charge to operating expenses for that account equal to the sum of the amounts that would otherwise be chargeable for each of the various classes of property in-

cluded in the account. The annual percentage rates so filed shall be accompanied by a sworn statement showing the bases therefor and the methods employed in their computation. A carrier subject to the provisions of this system of accounts on January 1, 1935, shall file such percentage rates not later than September 1, 1935. A carrier which becomes subject to the provisions of this system of accounts after January 1, 1935, shall file such percentage rates within 6 months after the provisions of this system of accounts become applicable to it. The carrier shall be prepared at any time, upon direction of this Commission, to compute and submit for its approval revised percentage rates in cases where existing rates are deemed inapplicable.

(2) In the event any composite percentage rate prescribed by this Commission, in the judgment of the carrier, becomes no longer currently applicable, it shall in like manner file annual percentage rates which in its judgment should be established.

(3) The carrier shall keep such records of property and property retirements as will reflect the service life of property which has been retired, or will permit the determination of service-life indications by mortality, turn-over, or other appropriate methods, and also such records as will reflect the percentage of value of the salvage for property retired from each class of depreciable carrier property.

(b) *Depreciation charges.* Charges for currently accruing depreciation shall be made monthly to accounts 613, 663, 763, "Depreciation," and corresponding credits shall be made to account 74, "Accrued depreciation—carrier property." In computing the current monthly charges, one-twelfth of the composite annual percentage rate applicable to each primary account covering depreciable carrier property shall be applied to the balances as of the first of the current month in each such primary account.

(c) *Depreciation rates.* A separate composite annual percentage rate for each account covering depreciable carrier property shall be used in computing depreciation charges. Such composite rates shall be those which are from time to time prescribed by this Commission, except that where no rates previously have been prescribed for the carrier's use by this Commission, the carrier's estimates of composite annual percentage rates computed in accordance with paragraph (a) of this section shall be used prior to the dates rates prescribed by this Commission becomes effective.

NOTE: Where the composite rate as prescribed by this Commission has been developed by the application of component rates to the various subclasses of property within a primary account and a segregation of the property to which they are applicable is maintained or is available, such component rates may be used in computing the current depreciation charges (as long as the property to which they apply is in service and the estimated service lives, etc., upon which they are based remain the same) without a supplemental order, regardless of the fact that the amount of the various classes of property has so changed as to make possible the computation of a slightly different composite rate.

(d) *Classes of depreciable carrier property.* The classes of depreciable carrier property and the accounts covering such property are as follows:

Account No.			Account title
Gather- ing lines	Trunk lines	Gen- eral	
162	162		Rights-of-way.
163	163		Lines pipe.
164	164		Line pipe fittings.
165	165		Pipe-line construction.
166	166	166	Buildings.
167	167		Boilers.
168	168		Pumping equipment.
169	169	169	Machinery and machinery.
170	170		Other station equipment.
171	171		Oil tanks.
172	172		Delivery facilities.
173	173	173	Communication systems.
174	174	174	Office furniture and equip- ment.
175	175	175	Vehicles and other work equipment.
176	176	176	Other property.

(e) Except as provided in paragraph (f) of this section upon the retirement of a unit of depreciable property the service value shall be charged in its entirety to account 74, "Accrued depreciation; carrier property." The depreciation reserve shall be credited with the full amount of any insurance recovered.

(f) Upon proof by the carrier that the charge to the depreciation reserve in connection with the retirement of depreciable property will result in undue depletion thereof, with the approval of this Commission, it may charge to account 312, "Debits from retired carrier property," or to account 27, "Extraordinary maintenance suspense" (note text thereof) such part of the service value of the retired property which it is authorized to charge thereto. In case the amount of insurance recovered by the carrier, creditable to account 74, "Accrued depreciation—carrier property," would unduly inflate that account, the carrier may credit to account 302, "Credits from retired carrier property," such part of the insurance recovered as it may be specifically authorized by this Commission to so credit. The application to this Commission for such special accounting shall give full particulars concerning the situation, and shall indicate the carrier's reason for the accounting proposed.

BALANCE SHEET INSTRUCTIONS

§ 20.0-20 *Form of balance sheet statement.* This form of balance sheet statement is designed to show the financial condition of the carrier as of the date for which it is drawn.

ASSET SIDE

INVESTMENTS

- Investment in carrier property.
- Cost of organization.
- Operating oil supply.
- Sinking funds.
- Miscellaneous physical property.
- Investments in affiliated companies.
- Other investments.
- Company securities owned (in short column).

Total.

CURRENT ASSETS

- Cash.
- Demand loans and deposits.
- Time drafts and deposits.

- Special deposits.
- Notes receivable.
- Agents' balances.
- Revenue receivable.
- Accounts receivable.
- Material and supplies.
- Interest and dividends receivable.
- Rents receivable.
- Other current assets.

Total.

DEFERRED DEBITS

- Working-fund advances.
- Insurance and other funds.
- Rents and insurance premiums paid in advance.
- Taxes paid in advance.
- Discount on capital stock.
- Discount on funded debt.
- Extraordinary maintenance suspense.
- Other deferred debits.

Total.

Grand total.

LIABILITY SIDE

STOCK

- Capital stock.
- Liability for conversion of stock.
- Premium on capital stock.
- Capital-stock installments.

Total.

LONG-TERM DEBIT

- Funded debt unmatured.
- Receivers' certificates.
- Nonnegotiable debt to affiliated companies.

Total.

CURRENT LIABILITIES

- Notes payable.
- Joint revenue payable.
- Wages payable.
- Accounts payable.
- Interest matured unpaid.
- Dividends matured unpaid.
- Funded debt matured unpaid.
- Unmatured dividends declared.
- Unmatured interest accrued.
- Unmatured rents accrued.
- Taxes accrued.
- Other current liabilities.

Total.

DEFERRED CREDITS AND RESERVES

- Liability for provident funds.
- Premium on funded debt.
- Insurance reserve.
- Operating reserves.
- Accrued depreciation—Carrier property.
- Amortization reserve.
- Accrued depreciation—Miscellaneous physical property.
- Other deferred credits.
- Reserve for adjustment of investment in securities.

Total.

CORPORATE SURPLUS

- Unearned surplus.
- Appropriated earned surplus.
- Earned surplus.

Total.

Grand total.

§ 20.0-21 *Purpose of balance-sheet accounts.* The balance-sheet accounts (1 to 82, inclusive) are designed to show the assets, liabilities, capital stock, and surplus or deficit of the carrier.

§ 20.0-22 *Current assets.* (a) In the group of accounts designated as current assets (accounts 9 to 20, inclusive) shall be included cash, those assets which are readily convertible into cash or held for current use in operations or construction, current claims against others, and amounts accruing to the carrier which are subject to current settlement.

(b) There shall not be included under current assets any amount the collection of which is not reasonably assured by the known financial condition of the debtor. The amount of any item of current character but doubtful value shall be written down or written off by charges to account 423, "Bad debts."

§ 20.0-23 *Book value of securities owned.* (a) This system of accounts requires that the securities of others acquired by the carrier shall be recorded at the money value, at the time of acquisition, of the consideration given therefor by the carrier, but excluding amounts paid for accrued interest or accrued dividends.

(b) The carrier shall write down such book costs or create reserves in recognition of a substantial decline in the value of the securities. Fluctuations in market values shall not be recorded but permanent impairment in values shall be recognized in the accounts. Securities shall be written down or reserves created to reflect loss in value, or written off entirely if there is no reasonable prospect of future value. Adjustments in the book values of securities shall not be delayed beyond the year in which a loss is claimed for income tax purposes. The amount of such adjustments shall be debited to account 314, "Miscellaneous debits."

(c) Carriers may create reserves to provide for depreciation in the values of securities owned by charges to account 314, "Miscellaneous debits." (Note account 79, "Reserve for adjustment of investment in securities.")

(d) When securities with a fixed maturity date are purchased at a discount or premium (i. e., when the total cost including brokerage fees, taxes, commissions, etc., is less or more than par) such discount or premium may be amortized over the remaining life of the securities by periodical debits or credits to the account in which the cost of the securities is recorded with corresponding credits to account 409, "Miscellaneous income," or debits to account 415, "Miscellaneous income charges," as appropriate. If the annual amount to be amortized does not exceed \$1,000, the carrier may write off the total discount or premium by inclusion in the appropriate income account. No amortization entries shall be recorded in respect to discount upon securities held as investments unless there is reason to believe the securities will be disposed of at a sum equal to par or par will be collected at maturity.

§ 20.0-24 *Company securities owned.*

(a) The book value of nominally issued and nominally outstanding stocks and funded debt securities issued or assumed by the carrier shall be shown in the short columns only of the balance-sheet statement of the carrier to this Commission. Such securities having a par value shall be so shown at their par value and for stocks having no par value there shall be shown the number of shares and any nominal value assigned thereto.

(b) The necessary adjustments of the difference between book liability for securities reacquired and the amount actually paid for them shall be made in accordance with the provisions of § 20.0-26

Discount and premium on capital stock, and § 20.0-27 Discount, premium, and expense on funded debt, as appropriate.

§ 20.0-25 *Income from sinking, insurance, and other reserve funds.* When interest and other income arising from reserve funds (note account 407, "Income from insurance and other reserve funds") are required by the mortgage or other provisions to be held in the funds, such income shall be charged as appropriate to account 4, "Sinking funds," or account 22, "Insurance and other funds." If such funds are represented by a reserve established through reservations of income or surplus, amounts so set aside shall be charged to account 420, "Miscellaneous reservations of income," or account 315, "Miscellaneous reservations of surplus," as may be appropriate, and credited to account 81, "Appropriated earned surplus."

§ 20.0-26 *Discount and premium on capital stock.* (a) All discounts suffered and premiums realized at the sale, resale, or exchange of each particular class of par stock issued or assumed by the carrier shall be included in a separate discount and premium account.

(b) Discount on each subclass of capital stock may be offset or reduced by charges to account 53, "Premium on capital stock," to the extent that premiums have been included therein, or to account 80, "Unearned surplus," to the extent that net gains from reacquisition, resale, or retirement of capital stock applicable to such subclass have been included therein. Any remaining discount may be amortized by charges to account 316, "Stock discount extinguished through surplus," or may be retained in account 25, "Discount on capital stock," until the stock to which the discount applies is reacquired.

(c) Except as provided in paragraph (b) premiums on capital stock shall be carried in account 53, "Premium on capital stock," until the stock to which the premiums apply is reacquired.

(d) When an issue of capital stock, or any part thereof, is reacquired either by purchase or through donations by stockholders, it shall be charged at its par value, or if stock without par value, at the proportionate amount at which the particular class of stock is included in account 51, "Capital stock," to that account if canceled, and to accounts 4, "Sinking funds," 8, "Company securities owner," or 22, "Insurance and other funds," as may be appropriate, if not canceled. The difference between the amount at which such reacquired stock was recorded in account 51, "Capital stock," and the amount paid by the accounting company for such stock, including any premiums or discount applicable to each subclass carried in account 53, "Premium on capital stock," or account 25, "Discount on capital stock," shall be included in account 80, "Unearned surplus." *Provided, however,* That the excess of a debit over the amount of accumulated net gains applicable to each subclass included in unearned surplus shall be charged to account 314, "Miscellaneous debits."

(e) When reacquired capital stock is resold the difference between the amount

at which such stock is included in a particular asset account and the net sale price realized when resold shall be included in account 80, "Unearned surplus," subject to the proviso in paragraph (d) of this section.

(f) In no case shall discount on capital stock be charged to or included in any account as a part of the cost of acquiring property or as a part of the cost of operation.

(g) Assessments against stockholders shall be credited to the premium account of the particular class of capital stock so assessed, except that assessments with respect to nonpar stock shall be credited to account 51, "Capital stock."

§ 20.0-27 *Discount, premium, and expense on funded debt.* (a) All discounts suffered, premiums realized, and expense incurred at the sale, resale, or exchange of each particular class of funded debt issued or assumed by the carrier shall be included in a separate discount, premium, and expense on funded-debt account.

(b) If the net of the balances in the discount, premium, and expense accounts for all classes of funded debt outstanding is a debit balance, the amount shall be included in the balance sheet in account 26, "Discount on funded debt," and if a credit balance the amount shall be included in account 71, "Premium on funded debt."

(c) Each month or other accounting period there shall be credited to each particular discount, premium, and expense on funded-debt account in which there is a debit balance, the proportion (based upon the ratio of the period to the life of the security remaining at the beginning of each such accounting period) of the debit balance in the accounts as is applicable to the period. The amounts thus credited shall be concurrently charged to account 418, "Amortization of discount on funded debt." Correspondingly each month or other accounting period there shall be charged to each account in which there is a credit balance the proportion of each of the credit balances therein as is applicable to the period. The amounts thus charged shall be concurrently credited to account 408, "Release of premium on funded debt." (See paragraph (k) (2) of § 20.0-36 *Cost of construction.*)

(d) Except as provided in paragraph (k) (2) of § 20.0-36 *Cost of construction* no part of the balance in any account for discount, premium, and expense on funded debt shall be included in any account as a part of the cost of acquiring any property or part of the cost of operation.

(e) Except as provided in the foregoing paragraphs of this instruction the balance in each of these accounts shall be carried until the reacquirement of the securities to which they relate, at which time the proportion (based on the relation of the amount of funded debt reacquired to the actual outstanding before its reacquirement) of the balance in the discount, premium, and expense account for the particular class of funded debt reacquired shall be closed to account 304, "Miscellaneous credits," or account 314, "Miscellaneous debits," as may be appropriate.

§ 20.0-28 *Conversion of securities.* Before recording journal entries which it is proposed to spread upon the carrier's book to record the reacquirement of capital stock or funded debt securities issued or assumed by the carrier through issuance in exchange therefor of either the carrier's capital stock or funded debt securities they shall be presented to this Commission for consideration. The text of such entries shall give complete information concerning the plan of exchange; the authority of the regulatory body with respect thereto, if any; and shall show the basis upon which the amounts in the entries have been determined.

§ 20.0-29 *Contingent assets and liabilities.* (a) Contingent assets and liabilities shall not be included in the body of the balance-sheet statement. Contingent assets represent possible sources of value to the carrier contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may, under certain conditions, become obligations of the carrier, but are neither direct nor assumed obligations on the date of the balance sheet.

(b) Contingent assets and liabilities shall be shown in detail in a supplementary statement accompanying the balance sheet.

§ 20.0-30 *Reorganizations.* (a) Where a carrier involved in receivership or bankruptcy is so reorganized as to preserve in whole or in part the interests of its owners and creditors, whether through the owning corporation or a successor corporation, or is a company resulting from reorganization of a carrier in any other manner, and such company emerges from such reorganization as the owner of investments, it shall at the time of recording such investments on its books include in account 193, "Acquisition adjustment," the net difference between the total of accounts 1 to 29, inclusive (after distributing to the primary property accounts other than account 193 the original cost of the transportation property involved) and the total of accounts 51 to 79, inclusive, as those accounts are properly adjusted under the reorganization plan. The journal entries recording such investments shall be presented to the Commission for consideration and approval before being entered on the books.

(b) The carrier shall apply to the Commission for permission to use account 193, so far as it is adequate, for the adjustment of differences between amounts originally set up with respect to such investment items and the value of such items as finally determined; and earned surplus shall be affected only by losses and gains clearly attributable to operations subsequent to date of reorganization.

BALANCE-SHEET ACCOUNTS INVESTMENTS

§ 20.1 *Investment in carrier property.* This account shall include the cost to the carrier of physical property used in or held under a definite plan for pipe-line operations, in existence at the date of the balance-sheet statement. The carrier's records shall be so kept as to show the

charges and credits to this account classified in accordance with the accounts for investment in carrier property.

NOTE A: This account shall not include any item representing titles to securities.

NOTE B: When any carrier property is acquired under agreement which provides that the cost shall be paid in installments, the cost (its money cost at time of purchase) shall be charged to the appropriate property-investment accounts at the time of its acquisition, and included in this account in the same manner as the cost of property purchased outright. When the par value of notes or other securities issued in payment, or in part payment, for such property is more or less than its actual cash value at the time of purchase, or of the proportion of the value to which the securities are applicable, the difference between the par value of the securities and the actual cash value of the property, or of the proportion of the value paid for by the securities, shall be charged or credited to the proper discount and premium account. (See § 20.0-26 *Discount and premium on capital stock*, and § 20.0-27 *Discount, premium, and expense on funded debt*.)

NOTE C: The carrier's investment in non-carrier property shall be included in account 5, "Miscellaneous physical property."

NOTE D: "Held under a definite plan for pipe-line operations" referred to above, implies the ability of the carrier to substantiate by plans or policy its characterization of the probable future use which is to be made of the property within a reasonable period of time.

§ 20.2 *Cost of organization.* This account shall include the cost of organizing and incorporating the company and the expense of issuing its capital stock.

Items

Amounts paid for legal services.
Amounts paid for privileges of incorporation.
Fees and taxes for original capital-stock issues.
Listing capital stock on exchanges.
Office expenses incident to organizing and preparing the company for operation.
Preparing, engraving, printing, and distributing prospectuses and certificates in connection with original and additional stock issues.
Revenue stamps on original issues of capital stock.
Special counsel and other fees and expenses in mergers, consolidations, and reorganizations.

NOTE A: Whenever all or any portion of an issue of capital stock is retired, the proportionate part of the amounts included in this account for expenses incurred in connection with such issue shall be retired.

NOTE B: When charges are made to this account for expenses incurred in mergers, consolidations, or reorganization, amounts previously included herein on the books of the various companies concerned should not be carried over unless it is clear that such items involve no duplication when added to the new charges made or to be made.

§ 20.3 *Operating oil supply.* This account shall include the cost of oil owned by the carrier and used to maintain lines and storage tanks in condition for the transportation of commercial oil.

§ 20.4 *Sinking funds.* (a) This account shall include the amount of cash, the book cost of securities issued by other companies, and the par value of nominally issued and nominally outstanding securities issued or assumed by the carrier; and other assets which are held by trustees or by the carrier's treasurer in a

distinct fund for the purpose of redeeming outstanding obligations.

(b) A separate account should be kept for each sinking fund under a title which shall designate the obligation in support of which the fund was created.

§ 20.5 *Miscellaneous physical property.* This account shall include the carrier's investment in physical property other than carrier property assignable to account 1, "Investment in carrier property," including hotels, restaurants, commercial power plants, etc., which are entirely distinct from carrier property and are not operated in connection with pipe-line service of the carrier.

Items

Commercial power plants.
Hotels and restaurants.
Lands and buildings not used in pipe-line service.
Lands and property acquired and held in anticipation of an indefinite future use.
Mineral and timber lands.
Pipe-line material leased to others under long-term lease.
Manufacturing plants, not in connection with pipe-line service.

§ 20.6 *Investments in affiliated companies.* (a) This account shall include the book value of the carrier's investment advances to affiliated companies, also of its investment in securities issued or assumed by such companies, such securities not being held in special deposits or in special funds.

(b) This account shall be subdivided:

(1) Stocks.
(2) Bonds.
(3) Notes, including herein not only notes that run longer than 2 years and all notes of affiliated companies held as investments, but also notes payable on demand or within 2 years from the date of issue when it is mutually understood and intended that the notes shall not be enforced as current assets.

(4) Advances.

(c) The carrier's records shall be kept in such manner that the book value of securities pledged as collateral security for any of the carrier's funded debt or short-term loans and the ledger value of securities unpledged may be shown separately in the annual report to this Commission.

NOTE A: Accounts with affiliated companies which are subject to current settlements, such as charges for material and supplies currently furnished, charges for repairs to equipment, etc., shall be classed as current assets or current liabilities, as may be appropriate.

NOTE B: The value of securities borrowed by the carrier and pledged shall not be included in this account.

NOTE C: The book value of securities pledged for purposes other than that of security for funded debt or short-term loans shall be included in account 12, "Special deposits" (when for 2 years or less), or 22, "Insurance and other funds," as may be appropriate.

§ 20.7 *Other investments.* (a) This account shall include the book value of carrier's investment in securities issued or assumed by nonaffiliated companies and individuals other than securities held in special funds (see Note C to this account), also its investment advances to such parties and special deposits of cash

for more than 2 years from date of deposit.

(b) This account shall be subdivided:

- (1) Stocks.
- (2) Bonds.

(3) Notes, including herein not only notes that run longer than 2 years and all notes of nonaffiliated companies and of individuals held as investments, but also notes payable on demand or within 2 years from date of issue when it is mutually understood and intended that the notes shall not be enforced as current assets.

(4) Advances.

(5) Miscellaneous (including "special deposits" for more than 2 years from date of deposit)

(c) The carrier's records shall be kept in such manner that the ledger value of securities pledged as collateral security for any of the carrier's funded debt or short-term loans and the book value of securities unpledged may be shown separately in the annual report to this Commission.

NOTE A. Accounts with nonaffiliated companies which are subject to current settlements, such as charges for material and supplies currently furnished, charges for repairs to equipment, etc., shall be classed as current assets or current liabilities, as may be appropriate.

NOTE B: The value of securities borrowed by the carrier and pledged shall not be included in this account.

NOTE C: The book value of securities pledged for purposes other than of security for funded debt or short-term loans shall be included in account 12, "Special deposits" (when for 2 years or less), or 22, "Insurance and other funds," as may be appropriate.

NOTE D: Working-fund advances to non-affiliated companies other than those for investment shall be included in account 21, "Working-fund advances."

§ 20.8 *Company securities owned.* (a) This account shall include the book value of nominally issued and nominally outstanding securities issued or assumed by the carrier, other than such securities held in insurance or other special funds. (See § 20.0-24 *Company securities owned.*)

(b) This account shall be maintained to show:

- (1) For stock:
- (i) Par stock:

(a) Number of shares and total par value of shares unpledged.

(b) Number of shares and total par value of shares pledged.

(ii) Nonpar stock:

(a) Number of shares and any nominal value of shares unpledged.

(b) Number of shares and any nominal value of shares pledged.

(2) For funded debt:

(i) Total par value unpledged.

(ii) Total par value pledged.

CURRENT ASSETS

§ 20.9 *Cash.* (a) To this account shall be charged all cash received and to it shall be credited all cash actually paid out. The term "cash" includes metallic money, bank bills, legal tender, notes, checks, or other representatives of money.

(b) This account shall be so kept as to include in the balance of the account the actual amount in the carrier's general cash fund including the amounts held in

its treasury, amounts deposited with banks and trust companies subject to check, and cash in transit from agents.

§ 20.10 *Demand loans and deposits.* This account shall include the amount of demand loans fully secured by stocks, bonds, and other marketable collateral, and of deposits with banks and trust companies when such items are subject to collection on demand.

§ 20.11 *Time drafts and deposits.* This account shall include the amount of time drafts receivable and time deposits with banks and trust companies.

§ 20.12 *Special deposits.* This account shall include funds specially deposited (other than in sinking funds or deposits under mortgage provisions) for payment of dividends, interest, and other debts, when such payments are due 2 years or less from the date of deposit; also money and securities deposited to insure the performance of contracts to be performed within 2 years from the date of the deposit, and amounts placed in funds or deposited in banks for the payment of taxes assessed under the Social Security Act; and other deposits of a special nature not provided for elsewhere.

NOTE A. Special deposits due more than 2 years from date of deposit shall be included in account 6, "Investments in affiliated companies," or 7, "Other investments."

NOTE B: Securities pledged as collateral for the carrier's funded debt or short-term loans shall be included, in accordance with the character of the securities pledged in accounts 6, "Investments in affiliated companies," 7, "Other investments," or 8, "Company securities owned."

NOTE C: The balance sheet in the annual report to this Commission shall show in the first short column the balance in this account. This balance shall be divided to show in the second short column the par value of securities issued or assumed and to show the book value of other assets in the fund in the long column.

§ 20.13 *Notes receivable.* This account shall include the book value of all collectible obligations in the form of demand or time loans (see note B hereunder) and other similar evidences (except interest coupons) of money receivable within a time not exceeding 2 years from date of issue.

NOTE A. This account shall not include obligations any part of which shall mature more than 2 years after date of issue, obligations maturing serially any part of which matures more than 2 years after date of issue, or demand or short-term notes held as investments includible in account 6, "Investments in affiliated companies."

NOTE B: Demand loans fully secured by stocks, bonds, or other marketable collateral shall be included in account 10, "Demand loans and deposits."

§ 20.14 *Agents' balances.* This account shall include the net balance due in current accounts from agents and from other employees and representatives charged with the collection or custody of current revenue.

NOTE: Amounts advanced to general and special agents as working funds shall be included in account 21, "Working-fund advances."

§ 20.15 *Revenue receivable.* This account shall include the amount receiv-

able from the transportation and storage of oil and oil products. This account shall be subdivided to show:

(a) Amount of local revenue receivable.

(b) Amount of joint revenue receivable from companies parties to joint tariffs.

§ 20.16 *Accounts receivable.* This account shall include the amounts billed against other companies, firms, and individuals which are considered to be collectible.

NOTE: The amounts receivable for the transportation and storage of oil and other products are includible in account 16, "Revenue receivable."

§ 20.17 *Material and supplies.* (a) This account shall include the balances representing the cost, less depreciation, if any, of all unapplied material and supplies, such as shop material, articles in process of manufacture by the carrier, fuel, and pipe-line supplies. In determining the cost of material and supplies suitable allowance shall be made for all discounts allowed in the purchase thereof.

(b) The costs chargeable to this account are the actual cash costs of the material and supplies at the point of free delivery plus any transportation charges paid for transporting the material from that point.

(c) Material recovered in connection with maintenance work or the demolishing of carrier property shall be charged to this account on the basis of its value as recovered. If the material is reconditioned the cost of reconditioning shall be added to the value of the material as recovered. When used or reused, the value of the material as carried in this account shall be credited hereto and charged to the account appropriate according to the purpose for which the material is used. When scrap material is sold at a higher or lower price than that at which it is included in this account, so far as practicable, an appropriate adjustment shall be made in the accounts which were credited when the material was recovered and taken into the material and supply account.

(d) The cost of oil owned by the carrier other than that used to maintain lines and storage tanks in condition for the transportation of commercial oil provided for in account 3, "Operating oil supply," shall be included in this account.

NOTE A: Interest paid on material bills the payments of which are delayed shall be charged to account 417, "Interest on unfunded debt."

NOTE B: An annual inventory of material and supplies shall be taken and the necessary adjustment to bring this account into harmony with the actual inventory balances shall be made. In effecting this adjustment determined differences in accounting for important classes of material shall be equitably assigned among the accounts to which the classes of material are ordinarily chargeable. Other differences shall be equitably apportioned among the primary accounts to which material has been charged since the last inventory, except that inventory shortages on account of depreciation through obsolescence of material and supply stock shall be charged to account 73, "Operating reserves." (See also account 613, 663, 763, "Depreciation.")

NOTE C: The carrier is permitted to include in operating expenses at the time of purchase or issue from warehouse items of material small value, such as small hand tools, which are provided for maintenance purposes when the material is under the direct charge of the maintenance forces, if the quantity of the material is not of sufficient value to justify the expense of carrying the material under the supervision of storekeepers or warehousemen.

§ 20.18 Interest and dividends receivable. This account shall include the amount of interest accrued to the date of the balance sheet on bonds owned and on loans made, the amount of matured dividends receivable on stocks owned, and dividends accrued on such stocks when contracts require that the dividends be paid at stated times.

NOTE A. No amounts representing interest or dividends receivable shall be included in this account unless payments thereof are reasonably assured by past experience, guaranty, anticipated provisions, or otherwise.

NOTE B: No dividends or other returns on securities issued or assumed by the carrier shall be included in this account.

§ 20.19 Rents receivable. This account shall include unmatured rents receivable accrued to the date of the balance sheet. It is not required that minor rents shall be accounted for upon accrual basis.

§ 20.20 Other current assets. This account shall include current asset items that have not reached the stage of audited accounts and become classable in account 16, "Accounts receivable," and yet have been advanced beyond the state of accounts properly classable under deferred debits. It shall include items of current assets not in accounts 9 to 19, inclusive.

DEFERRED DEBITS

§ 20.21 Working-fund advances. This account shall include amounts advanced to noncarrier companies, general and special agents, and to other officers and employees, as working funds from which certain expenditures are to be made and accounted for.

§ 20.22 Insurance and other funds. This account shall include the amount of cash, the book value of securities of other companies, and other assets which are in the hands of trustees or managers of insurance, employees' pension, savings, relief, hospital, and other funds which have been specifically set aside or invested for specific purposes not provided for elsewhere; also the par value of securities issued or assumed by the carrier and held in such funds. A separate account shall be kept for each fund.

NOTE A: The balance sheet in the annual report to this Commission shall show in the first short column the balance in this account. This balance shall be divided to show in the second short column the par value of securities issued or assumed and to show the ledger value of other assets in the fund in the long column.

NOTE B: This account shall not include funds held by the carrier solely as trustee and in which it has no beneficial interest.

§ 20.23 Rents and insurance premiums paid in advance. This account shall include the balance in the accounts representing prepaid rents chargeable to the appropriate rent accounts as the term

expires for which the rents are paid; also insurance premiums paid in advance of their accrual except premiums chargeable to the carrier-property accounts and minor amounts which may be charged direct to the accounts. As the term expires for which the premiums are paid this account shall be credited at monthly intervals and the appropriate accounts charged.

§ 20.24 Taxes paid in advance. This account shall include the amount of taxes paid in advance, except minor amounts which may be charged direct to the final accounts. As the term expires for which the taxes are paid, this account shall be credited and accounts 412, "Pipe-line taxes," 413, "Taxes on miscellaneous operating physical property," 414, "Miscellaneous taxes," or the carrier-property accounts, as appropriate, shall be charged.

§ 20.25 Discount on capital stock. This account shall include the total of the net debit balances in the discount accounts for the several subclasses of capital stock.

§ 20.26 Discount on funded debt. This account shall include the total of the net debit balances in the discount, expense, and premium accounts for the several subclasses of funded debt.

§ 20.27 Extraordinary maintenance suspense. (a) This account shall be charged with the service value of retired carrier property which has not been provided for by depreciation reserves and which if charged to these reserves would unduly deplete them. (See also account 614, 664, "Extraordinary retirements," and paragraph (g) of § 20.0-3 *Depreciation accounting*.)

(b) Charges shall not be included in this account until permission of this Commission has been granted. The carrier's application to this Commission for such permission shall give full particulars concerning the property retired, the amount chargeable to operating expenses, and the period over which, in its judgment, the amount of such charges should be distributed.

§ 20.28 Other deferred debits. This account shall include the amount of debit balances in suspense accounts that cannot be entirely cleared and disposed of until additional information is received, such as interest paid in advance; debit balances in clearing accounts, such as store expenses, items credited to operating revenues, operating expenses, income, or surplus, on an estimated basis in accordance with § 20.0-3 *Unaudited items*; unextinguished discount on short-term notes; and deferred debit items not provided for in accounts 21 to 27, inclusive, and other similar items.

STOCK

§ 20.51 Capital stock. (a) This account shall include the book liability for certificates which represent permanent interests in the company or interests which if terminable, are so only at the option of the company, as follows:

- (1) For actually outstanding stocks.
- (i) The par value of par stock.
- (ii) The current money value "at time of sale" of the consideration received for nonpar stock.

(iii) Appropriations of undistributed surplus which have been transferred to nonpar stock account.

(2) For nominally issued, and nominally outstanding stocks.

(i) The par value of par stock.

(ii) Any nominal value assigned to nonpar stock.

(b) The amounts included herein shall be divided so as to show each class of stock issued, as follows:

(1) Common—stock: Stocks which have no preference in distribution of dividends.

(2) Preferred stock: Stocks having preference in distribution of dividends.

(3) Debenture stock: Stocks issued under a contract to pay a specified return at specified intervals.

(c) Each of the foregoing classes shall also be divided into subclasses according to differences in dividend or interest rights, voting rights, or conditions under which the securities may be retired.

(d) When capital stock is retired or canceled, this account shall be charged with the amount at which such stock is carried therein.

(e) The book liability for nonpar stock reacquired shall be determined by a pro-rata of the proceeds realized from shares of the particular subclass of stock of which the shares reacquired are a part actually outstanding immediately prior to the acquisition plus any transfers of surplus to the particular stock reacquired. (See also account 8, "Company securities owned.")

NOTE: When a general levy or assessment is made against holders of par stock requiring the payment of any sum in addition to the consideration agreed upon at the time of sale, the amount collected upon such levy or assessment in connection with the stock shall be credited to the premium account for the class of stock on which the assessment is made. If such levy or assessment is made against the holders of nonpar stock, the amount collected shall be credited to the liability for such stock carried in this account.

§ 20.52 Liability for conversion of stock. This account shall include the carrier's liability under agreements to exchange its capital stock for the outstanding securities of companies whose physical property has been acquired under such agreements, but whose securities have not yet been surrendered for exchange.

NOTE: When prior to their actual conversion the securities for conversion still outstanding have been given all rights and privileges of capital stock of its own issue by regularly authorized official action of the carrier they shall be included in account 51, "Capital stock."

§ 20.53 Premium on capital stock. This account shall include the total of the net credit balances in the premium accounts for the several subclasses of capital stock.

§ 20.54 Capital-stock installments.

(a) This account shall include amounts received on account of subscriptions to capital stock under an installment plan prior to the issuance of the stock.

(b) As the total amount of each subscription is received and stock certificates are issued, the amount of the subscription shall be transferred to account 51,

"Capital stock," and, as may be appropriate, to account 25, "Discount on capital stock," or 53, "Premium on capital stock."

(c) In the carrier's reports to this Commission there shall be shown in the short column of the balance sheet, the total amount of the capital stock subscriptions which have not been fully paid or canceled, and also the total amount unpaid on such subscriptions.

LONG-TERM DEBT

§ 20.55 *Funded debt unmatured.* (a) This account shall include the total par value of unmatured debt, maturing more than 2 years from date of issue, issued by the carrier and not retired or canceled; and the total par value of similar unmatured debt of other companies, the payment of which has been assumed by the carrier.

(b) The amounts included in this account shall be divided so as to show the par value of:

(1) Certificates or other evidences of funded debt (pledged or unpledged) held in the carrier's treasury by its agents or trustees, or otherwise subject to its control, including both those reacquired after actual issue and those nominally but not actually issued; and

(2) Certificates or other evidences of funded debt issued and actually outstanding, being those not held by the carrier, its agents, or trustees, or subject to its control.

(c) The amounts included herein shall be further divided so as to show the amount of each class of funded debt, as follows:

(1) *Mortgage bonds.* Bonds secured by lien on physical property and not includible in the other subdivisions of this account.

(2) *Collateral trust bonds.* Bonds and notes secured by a lien on securities or other negotiable paper, and stock trust certificates that are similar in character to collateral trust bonds.

(3) *Income bonds.* Bonds which are a lien on a carrier's revenue alone, or bonds which, while being a lien on its property and franchises, can claim payment of interest only in case interest is earned.

(4) *Miscellaneous obligations.* All funded obligations not provided for in other subdivisions of this account, also notes, unsecured certificates of indebtedness, debenture bonds, plain bonds, real-estate mortgages executed or assumed, and other similar obligations maturing more than 2 years after date of issue.

(5) *Receipts outstanding for funded debt.* Receipts for payments on account of funded debt. When certificates are issued for amounts so paid, the par value shall be included in the account covering the class of funded debt for which the certificates are issued.

(d) Each of the foregoing classes shall also be divided into subclasses according to differences in mortgage or other lien or security therefor, rate of interest, interest dates, or date of maturity.

NOTE A: Securities maturing 2 years or less from date of issue shall be included in account 57, "Nonnegotiable debt to affiliated companies," or 58, "Notes payable," except

that where an issue of securities maturing serially over a period of more than 2 years contains short-term obligations, such obligations shall be included as funded debt. Matured funded debt shall be included in account 64, "Funded debt matured unpaid."

NOTE B: Nonnegotiable notes having a maturity of more than 2 years after date of issue, held by affiliated companies, shall be included in account 57, "Nonnegotiable debt to affiliated companies."

NOTE C: In the balance sheet the total unmatured funded debt included in the account shall be shown in the first short column. The amount nominally but not actually issued and the amount nominally outstanding shall be shown in the second short column, and in the long column shall be shown the amount actually outstanding.

§ 20.56 *Receivers' certificates.* When any receiver acting under the order of the court is in possession of the property of the carrier and under the orders of such court issues evidences of indebtedness chargeable upon such property the face value of such evidences of indebtedness shall be credited to this account.

§ 20.57 *Nonnegotiable debt to affiliated companies.* (a) This account shall include the par value of nonnegotiable notes issued to affiliated companies, credit balances in open accounts with such companies (other than credit balances in current accounts classable as current liabilities) and interest accrued on notes and open accounts included in this account, when such interest is not subject to current settlement.

(b) This account shall be subdivided:

(1) Notes, including herein not only nonnegotiable notes that run longer than a term of 2 years, but also such notes payable on demand or within 2 years from the date of issue when it is mutually agreed that the notes shall not be enforced as current assets by the holder.

(2) Open accounts, including advances, not subject to current settlement.

(3) Interest accrued on amounts included in this account when not subject to current settlement.

NOTE A. Accounts with affiliated companies which are subject to current settlement, such as charges for material and supplies currently furnished, charges for repairs to equipment, etc., shall be classed as current assets or current liabilities, as may be appropriate.

NOTE B: No items shall be included in this account which are not known to be the property of an affiliated company.

CURRENT LIABILITIES

§ 20.58 *Notes payable.* (a) This account shall include the balances representing obligations outstanding in the form of notes, drafts, and other similar evidences (except interest coupons) of indebtedness payable on demand or within a time not exceeding 2 years from date of issue.

(b) This account shall be kept in such form that the amounts of notes, secured by collateral, payable within 2 years from date of issue, may be reported separately in the carrier's annual report to this Commission.

NOTE: This account shall not include obligations which mature more than 2 years after date of issue; obligations maturing serially, any part of which matures more than 2 years after date of issue; or demand or short-term notes issued to affiliated companies and in-

cludible in account 57, "Nonnegotiable debt to affiliated companies."

§ 20.59 *Joint revenue payable.* This account shall include the revenue from the transportation of oil and oil products which is payable to companies parties to joint tariffs.

§ 20.60 *Wages payable.* This account shall include the amount of audited pay rolls unpaid on the date of the balance sheet. It shall include also balances representing unclaimed wages.

§ 20.61 *Accounts payable.* This account shall include the amount of audited vouchers or accounts unpaid on the date of the balance sheet, outstanding drafts drawn by agents, deposits of affiliated companies subject to current settlement, amount of the employees' tax withheld, and other items of the nature of demand liabilities not covered by accounts 58, "Notes payable"; 59, "Joint revenue payable"; 60, "Wages payable"; 62, "Interest matured unpaid"; 63, "Dividends matured unpaid"; and 64, "Funded debt matured unpaid."

§ 20.62 *Interest matured unpaid.* (a) This account shall include the amount of matured and unpaid interest on loans and on funded debt and receivers' certificates, issued or assumed by the carrier.

(b) Interest which matures on the first day following the date of the balance sheet shall be included in this account.

NOTE: Interest matured unpaid on nonnegotiable debt to affiliated companies, if not subject to current settlement, shall be included in account 57, "Nonnegotiable debt to affiliated companies."

§ 20.63 *Dividends matured unpaid.* (a) This account shall include the amount of declared dividends due and payable on capital stock but unpaid, uncalled for, or unclaimed at the date of the balance sheet.

(b) Dividends which become payable on the first business day following the date of the balance sheet shall be included in this account.

§ 20.64 *Funded debt matured unpaid.* This account shall include the amount of funded debt and receivers' certificates matured and unpaid without any specific agreement for extension as to time of payment, including unrepresented bonds drawn for redemption through the operation of sinking and redemption-fund agreements.

§ 20.65 *Unmatured dividends declared.* This account shall include dividends declared on capital stock, but not payable until after the first business day following the date of the balance sheet.

§ 20.66 *Unmatured interest accrued.* This account shall include the amount of interest on loans and on funded debt and receivers' certificates issued or assumed, accrued to the date for which the balance sheet is made, but not payable until after the first business day following that date.

§ 20.67 *Unmatured rents accrued.* This account shall include rents, under leases or other agreements, accrued to the date for which the balance sheet is made, but not payable until after the first business day following that date. It shall

include also the amount of accrued dividends on stock and accrued interest on the funded debt of other companies when such dividends and interest are payable by the carrier as all or a portion of the rent under leases or other agreements with those companies.

NOTE: Matured rents shall be included in account 69, "Other current liabilities," unless they have been vouchered and are therefore classable in account 61, "Accounts payable."

§ 20.68 *Taxes accrued.* This account shall include the amount of unpaid taxes accrued and chargeable to accounts 412, "Pipe-line taxes," 413, "Taxes on miscellaneous operating physical property," 414, "Miscellaneous taxes" and to the carrier-property accounts, including the amount of the employers' tax assessed under the Social Security Act.

NOTE: Taxes paid in advance of the periods to which they apply shall be carried in account 24, "Taxes paid in advance."

§ 20.69 *Other current liabilities.* This account shall include current liability items which have not yet reached the stage of audited accounts and become classable under accounts payable and yet have advanced beyond the stage of accounts properly classable under Deferred Credits and Reserves.

DEFERRED CREDITS AND RESERVES

§ 20.70 *Liability for provident funds.* (a) This account shall include the amounts contributed by employees or others (whether carried in special trust funds or in general funds of the carrier) for pensions, accident and death benefits, savings, relief, hospital, and other provident purposes, when administered by trustees or managers acting for the carrier.

(b) This account shall include also the amount accrued for pensions through charges to account 635, 685, 785, "Relief and pensions." Amounts so credited shall, when actually paid to retired employees or paid into a trust fund irrevocably devoted to the payment of pensions, be charged hereto.

§ 20.71 *Premium on funded debt.* This account shall include the total of the net credit balances in the discount, expense, and premium accounts for the several subclasses of funded debt.

§ 20.72 *Insurance reserve.* (a) In case the carrier elects to carry its own risks for losses through accident, fire, flood, or other cause and provides a reserve, other than provision made in the depreciation reserve, to equalize anticipated losses, the charges to account 638, 688, 788, "Insurance," and other appropriate accounts to cover such risks shall be credited to this account. Such charges and credits shall be upon the basis of rates which fairly cover the risks insured. These rates should be determined according to the carrier's experience and best estimate as to the hazard covered. A schedule of risks covered by this reserve shall be maintained giving a description of the property or the character of the risks covered.

(b) If the carrier reinsures with insurance companies risks initially covered in this account, the premiums for such reinsurance shall be charged hereto and the amounts recovered under such com-

mercial insurance shall be credited hereto.

(c) To the extent that losses and damages sustained are covered by this account, an amount equal thereto shall be charged to this account and credited to the accounts appropriate for the losses and damages sustained.

NOTE: All losses and damages sustained, including those covered by commercial insurance or by this account, shall be charged in the first instance to the depreciation reserve, carrier-property, repair, injuries to persons, loss and damage, or other appropriate account according to the character of the loss. Insurance recoverable, or chargeable to this account on account of losses and damages sustained, shall be credited to the account to which the losses and damages are chargeable.

§ 20.73 *Operating reserves.* (a) This account shall include ledger balances representing reserves created by charges to operating expenses for the maintenance of carrier property, personal injuries, injuries and damages, and other claims, such charges being made currently for the purpose of equalizing the charges to operating-expense accounts for the current accounting year. (See § 20.0-79 *Equalization expenses.*)

(b) It shall also include amounts charged to account 613, 663, 763, "Depreciation," to cover losses through obsolescence of operating-material stock. (See also account 17, "Material and supplies.")

The carrier shall adjust through the appropriate operating expense accounts the balances in this account at the close of the year, except that the estimated amount of claims to be liquidated in the future shall be carried until payment is made and provisions for losses from obsolescence of material stock which shall be cleared as the losses are realized. A separate record shall be kept of operating-reserve accounts for each year.

NOTE A: The credit balances in reserve accounts representing appropriations of income or surplus for sinking funds, etc., shall not be included in this account.

NOTE B: Accrued depreciation credit balances shall be included in accounts 74 or 76, as may be appropriate.

§ 20.74 *Accrued depreciation; Carrier property.* (a) To this account shall be credited amounts charged to account 613, 663, 763, "Depreciation," investment in carrier-property, clearing, and other accounts to cover the loss in service value of depreciable carrier property. It shall be credited also with any amounts which the carrier may be authorized to charge to account 311, "Delayed income debits," in respect of past accrued depreciation not provided for.

(b) At the time of retirement of depreciable carrier property this account shall be charged with its service value and to it shall be credited the insurance recovered, if any. It shall be credited with amounts chargeable to account 27, "Extraordinary maintenance suspense," or to account 312, "Debits from retired carrier property," and charged with amounts creditable to account 302, "Credits from retired carrier property," as provided in paragraph (g) of § 20.0-8 *Depreciation accounting.*

(c) For corporate ledger and balance-sheet purposes, this account shall be regarded and treated as a single composite

reserve. However, for purposes of analysis, the carrier shall maintain subsidiary records in which the depreciation reserve is broken down into component parts corresponding to the primary pipe-line accounts which include depreciable carrier property; these subsidiary records shall show the current credits and debits in the reserve in complete detail by such primary pipe-line accounts.

(d) Note text of account 75, "Amortization reserve."

§ 20.75 *Amortization reserve.* (a) This account shall be credited with amounts concurrently charged to account 613, 663, 763, "Depreciation," when the carrier is authorized by the Commission to provide a reserve to extinguish amounts carried in account 1, "Investment in carrier property," relating to probable abandonment of carrier property due to exhaustion of particular sources of traffic, the date of which can be predicted with a reasonable approach to accuracy. In the event a change from depreciation accounting to amortization accounting is authorized by the Commission the balance in account 74, "Accrued depreciation—Carrier property," shall be transferred to this account. It is not required that balances in this reserve shall be broken down into component parts corresponding to the primary investment accounts. This account shall be charged at the time of retirement with the service value of property retired for which the carrier has accrued amortization.

(b) This account shall also be credited with amounts concurrently charged to account 314, "Miscellaneous debits," to provide for the retirement of amounts included in account 2, "Cost of organization," or 193, "Acquisition adjustment." When amounts are written out of these latter accounts, this account shall be charged with the balance carried therein with respect to such items.

§ 20.76 *Accrued depreciation; miscellaneous physical property.* (a) To this account shall be credited amounts charged to account 403, "Income from miscellaneous operating physical property," or account 404, "Income from miscellaneous nonoperating physical property," to cover the loss in service value of miscellaneous physical property. It shall also be credited with any amounts which the carrier may under authority of this Commission charge to account 311, "Delayed income debits," in respect of past accrued depreciation not provided for.

(b) At the time of retirement of depreciable miscellaneous physical property this account shall be charged with the service value of the property retired and shall be credited with the insurance recovered, if any.

§ 20.78 *Other deferred credits.* (a) This account shall include the amount of all deferred credits not includible in accounts 70 to 76, inclusive, such as retained percentages due to contractors to be paid upon completion of contract; installments of assessments for public improvements deferred with or without option to the carrier by the taxing authority; working fund advances from other companies; deposits (subject to refund) by employees to assure the return of company property such as keys, lanterns,

etc., credit balances in clearing accounts; and items charged to operating revenues, operating expenses, income, or surplus on an estimated basis in accordance with § 20.0-3 *Unaudited items*.

(b) This account shall include also the amounts of credit balances in suspense accounts that cannot be entirely cleared and disposed of until additional information is received, such as accident repairs not completed; uncompleted accounts for property retired; fire loss; and other analogous items.

§ 20.79 *Reserve for adjustment of investment in securities*. (a) This account shall include the total of the balances in reserves maintained by the accounting company for the purpose of providing for reductions in the values of securities owned. Corresponding charges shall be made to account 314, "Miscellaneous debits."

(b) When such securities are written down, written off, or disposed of, this account shall be charged with amounts credited hereto with respect to the securities involved. If so authorized by the Commission recoveries in value of such securities not in excess of the reserve balance applicable thereto may be eliminated by credit to account 304, "Miscellaneous credits."

CORPORATE SURPLUS

§ 20.80 *Unearned surplus*. (a) This account shall include all surplus not classified as earned surplus. It shall include credits from reductions of the par or recorded value of the accounting company's capital stock; surplus arising from donations by the accounting company's stockholders; gains from acquisition, retirement, or resale of reacquired shares of the accounting company's capital stock and by forgiveness of debt of the accounting company.

(b) This account shall be maintained in such manner as to permit a ready analysis of the charges and credits thereto.

§ 20.81 *Appropriated earned surplus*. (a) This account shall include the total of the net balances of appropriation of income and earned surplus for the acquisition of capital assets, the retirement of debt, sinking and redemption funds, and all other appropriations (other than those provided for in accounts 70 and 72) specifically set aside in the hands of trustees, as well as appropriations for which no specific investment or segregation of assets has been made. It shall also include accretions to the assets held in the special funds.

(b) A subdivision of this account shall be maintained by classes of appropriations, the titles of which shall indicate the purpose for which the appropriations were made.

§ 20.82 *Earned surplus*. (a) This account shall include the net balance (debit or credit) of the amounts included in accounts 301 to 317, inclusive. It shall not include transfers either to or from account 80, "Unearned surplus," unless so authorized upon application to the Commission.

(b) The balance of accounts (301 to 317, inclusive) shall be closed into this account at the end of each calendar year.

CARRIER PROPERTY INSTRUCTIONS

§ 20.0-31 *Purpose of carrier-property accounts*. (a) The carrier-property accounts (101 to 193, inclusive) are designed to show the book costs of carrier property owned by the carrier.

(b) The balances to be stated in these accounts as of January 1, 1935, shall be as provided in § 20.0-32 *Statement of carrier-property accounts*. Subsequent entries shall be as provided by the remaining instructions for carrier-property.

(c) For the purpose of this system of accounts the classification of property as between carrier and noncarrier shall be consistent with the classification of property for valuation purposes, except that when the dominant use of carrier property is for pipe-line operations it is not contemplated that either the cost of parts not used for carrier purposes or rented to others shall be excluded from account 1, "Investment in carrier property."

§ 20.0-32 *Statement of carrier-property accounts*. (a) For accounting analysis purposes on and after January 1, 1935, the property in service on that date shall be classified in accordance with the texts of the primary carrier-property accounts. The costs of the property as stated in the accounts prior to that date shall be included at the book cost thereof in these accounts.

(b) As of January 1, 1935, there shall be included in primary account 191, "Construction work in progress," the expenditures for construction projects uncompleted as of that date.

(c) The difference, if any, between the total of the amounts included in the primary accounts under paragraphs (a) and (b) and the amount of the carrier's investment as of December 31, 1934, as shown in account 1, "Investment in carrier property," shall be included in account 192, "Unadjusted investments."

NOTE: In the assignment (provided in the foregoing) of the book cost of property to the primary accounts there shall be included an equitable proportion of the cost of engineering and interest during construction relating to each class of property.

§ 20.0-33 *Basis of charges*. Except as provided in the foregoing instructions the costs includible in account 1, "Investment in carrier property," shall be money costs to the carrier. When the consideration for the acquisition of carrier property is other than cash the value of such consideration shall be determined on a current cash basis. The carrier shall be prepared to furnish this Commission the particulars of its determination of the actual cash value of the consideration, if other than money.

§ 20.0-34 *Pipe-line operating property purchased*. (a) When property that will be used in pipe-line operations is purchased, such property shall be charged to account 1, "Investment in carrier property," at the purchase price in accordance with § 20.0-35 *Items to be charged*, except that where the purchase price exceeds \$25,000 but is less than the original cost the carrier may charge the original cost of the property as carried in the accounts of the vendor to account 1, "Investment in carrier property," in which case the excess of original cost

over purchase price shall be credited to the depreciation reserve. Where the purchase price exceeds \$25,000 and is less than the original cost and the accounting carrier elects to classify the property on the basis of purchase price, it shall after completing the studies necessary, distribute such purchase price among the appropriate primary carrier property accounts other than accounts 192 and 193, on the basis of an approximation or reasonable estimate of the values of the related property.

(b) Where the purchase price exceeds \$25,000 and also exceeds the original cost the charges to primary carrier property accounts other than accounts 192 and 193 shall in no case exceed the original cost of the property acquired. In such cases the difference between the sum of the amounts includible in the primary carrier property accounts and the purchase price shall be included in account 193, "Acquisition adjustment."

(c) When the purchase price of pipe-line property does not exceed \$25,000 the property shall be charged to the appropriate primary carrier property accounts other than accounts 192 and 193 at the price paid for the property.

(d) Tentative journal entries recording the purchase of pipe-line property at a cost in excess of \$25,000 shall be presented to the Commission for consideration and approval. The text of such entries shall give a complete description of the property purchased and the basis upon which the amounts of the entries have been determined.

§ 20.0-35 *Items to be charged*. To these accounts shall be charged the cost of all carrier property acquired, including property purchased, other than as provided for in § 20.0-34 *Pipe-line operating property purchased*, property constructed by or for the carrier (including units of property replacing property retired) improvements to the existing property, and all property transferred from noncarrier to carrier use.

NOTE: The cost of hand tools or other individual items of short life and small value (i. e., the cost of each is less than \$25), when not acquired under a general plan, shall be charged to operating expenses, if, in the judgment of the carrier, the acquisition of the property does not affect the condition and value of its property for valuation or depreciation purposes. The carrier is permitted to adopt for the purpose of its accounting a limit of less than aforesaid \$25, provided it first files with this Commission the maximum amount which it proposes to adopt and makes no subsequent change in this amount except by authority of this Commission.

§ 20.0-36 *Cost of construction*. The cost of the construction of property chargeable to the carrier-property primary accounts shall include the cost of labor, material and supplies, special machine service, transportation, contract work, protection, injuries and damages, cost of privileges and permits, taxes, rent, interest during construction, and other analogous elements in connection with such work, including costs for preliminary work such as sinking test holes or making soundings for buildings and other structures.

The several items of cost here referred to are defined as follows:

(a) "Cost of labor" includes the amount paid for labor performed by the carrier's own employees. The salaries and expenses of engineers and other officers specifically assigned to construction work shall be included in the accounts appropriate for the cost of the property in connection with which their services are rendered. No charge shall be made to these accounts for the pay of operating officers and members of their staffs who merely render service incidentally in connection with construction work.

NOTE: The office and traveling and other personal expenses of officers and employees shall be included in the accounts to which their pay is chargeable, except that traveling and incidental expenses incurred by operating officers and members of their staffs while rendering service incidentally in connection with construction work shall be included in the cost of the work upon which they are incidentally engaged.

(b) "Cost of material and supplies," including small tools, includes the purchase price at the point of free delivery, plus the costs of inspection and loading borne by the carrier, also a suitable proportion of store expenses; it includes also freight charges paid other carriers. In calculating the cost of material used, proper allowance shall be made for the value of unused portions and other salvage; for the value of the material recovered from temporary scaffolding, cofferdams, and other temporary structures used in construction; and for the value of small tools recovered and used for other purposes.

(c) "Special machine service" includes:

(1) The cost of labor expended and materials and supplies consumed in operating vehicles, steam shovels, ditching machines, pile drivers, and other machines used in construction work.

(2) The cost of repairs to such machines incident to construction work.

(3) Rent paid for the use of machines of others.

(4) When machines are purchased primarily for a construction project their cost shall be charged to account 191, "Construction work in progress." Upon completion of the construction project account 191, "Construction work in progress," shall be credited with the amount received for the machines if sold or the appraised value thereof if retained for operation in the carrier's service. This appraised value shall be included in the proper carrier-property accounts. The difference between the amount charged to account 191, "Construction work in progress," and the credit thereto as above indicated, shall be charged to the carrier-property accounts appropriate according to the use of the machines in construction service.

NOTE: The cost of repairs of vehicles and other work equipment and of machine tools and machinery which are used both in construction and maintenance work shall be apportioned equitably to the work in connection with which the equipment is used. (See text of clearing accounts 801 and 804.)

(d) "Cost of transportation" includes the amounts paid to other companies or individuals for the transportation of men, material and supplies, special machine outfits, appliances, and tools in

connection with construction and also the cost of teaming work done by the carrier's own forces and facilities. The cost of the transportation of construction material to the point where material is received by the carrier shall be included, so far as practicable, as a part of the cost of such material.

(e) "Cost of contract work" includes amounts paid for construction work performed under contract by other companies, firms, or individuals, and costs incident to the award of the contract.

(f) "Cost of protection" includes expenditures for protection in connection with construction.

(1) From casualties, including the cost of protection against fire, payments for discovery or extinguishment of fires, cost of detecting incendiaries, witness fees in relation thereto, amounts paid to municipal corporations and others for fire protection, and analogous items.

(2) From damages to others, in protecting their property from damage through the processes of construction work, and analogous items.

(g) "Cost of injuries and damages" includes expenditures on account of injuries to persons or damage to property when incident to construction projects, and shall be included in the cost of the work in connection with which the injury or damage occurs. It also includes that portion of premiums paid for insuring property applicable to the period prior to the completion or coming into service of the property insured. Insurance recovered on account of compensation paid for injuries to persons incident to construction shall be credited to the accounts to which such compensation is charged, and insurance recovered on account of damages to property incident to construction shall be credited to the accounts chargeable with the expenditures necessary for restoring the damaged property. The cost of injuries and damages in connection with the removal of old structures which are encumbrances on newly acquired lands shall be included in account 101, 151, 171, "Land."

(h) "Cost of privileges and permits" includes compensation for temporary privileges, such as the use of private or public property or of streets, in connection with the construction of the property of the carrier.

(i) "Taxes" includes taxes on physical property during construction and before the facilities are completed ready for service. This includes taxes on land held under a definite plan for its use in pipeline service for the period prior to the completion of pipe-line facilities thereon and other taxes separately assessed on property during construction, or assessed under conditions which permit separate identification or allocation of the amount chargeable to construction.

(j) "Rent" includes payments for use of facilities, such as motor vehicles, special tools or machines, and quarters used in construction work.

(k) "Interest during construction" includes the amounts of interest incurred in the acquisition of carrier property. Such interest shall be charged to the accounts appropriate for the cost of the property in connection with acquisition of which the interest is incurred. The

interest includible in these accounts under this instruction is:

(1) Interest on bonds, notes, and other evidences of indebtedness sold, and upon any interest-bearing debt incurred for the acquisition of carrier property. It includes the interest accruing on the part of the debt representing the cost of carrier property acquired (less interest, if any, allowed by depositories on unexpended balances) after such funds become available for use and before the receipt or the completion or coming into service of the property so acquired.

There shall be deducted from such interest charges a proportion of premium on securities sold. The amount of premium thus deductible shall be determined by the ratio which the period between the date the proceeds from the securities issued become available and the receipt, completion, or coming into service of the property bears to the entire life of the securities issued. Interest on bonds, notes, or other evidences of indebtedness accruing before the proceeds from the sale of the securities become available for use shall not be included in these accounts nor shall there be included any interest accruing after the property (with respect to which the proceeds are expended) is received or becomes available for use in connection with pipe-line service.

(2) The proportion of discount and expense on funded debt issued for the acquisition or construction of carrier property. The amount of discount and expense thus chargeable shall be determined by the ratio which the period between the date the proceeds from the securities issued become available and the receipt, completion, or coming into service of the property bears to the entire life of the securities issued. In no case, except as provided in this paragraph, shall discounts on securities be included in these accounts.

(3) On expenditures made for a construction project that has been suspended, no interest charges from the date of suspension shall be included in the carrier property accounts unless authorized by the Commission.

(l) The cost of disposing of material excavated, including the privilege of wasting in connection with construction, shall be considered as a part of the cost of the work, except that when such material is used for filling, the cost of loading, hauling, and dumping shall be equitably apportioned between the work in connection with which the material is removed and that for which it is used.

§ 20.0-37 *Units of carrier property.* The "units of property" established at the date of issuance of this system of accounts are listed in appendix A and additions to or revisions of this list will be issued, when necessary, by this Commission, to which any applications for such additions or revisions shall be presented by the carrier.

§ 20.0-38 *Retirements and replacements.* (a) To accounts 101 to 186, inclusive, shall be credited at the time of retirement the book cost of carrier property retired as follows:

(1) Land retired including the proportional cost of public improvements pertaining to the land.

(2) Units of depreciable carrier property retired.

(3) Minor items of depreciable carrier property retired and not replaced or replaced with other parts of a different type or design than those which are retired rendering the property more or less durable or of greater or less capacity.

NOTE: If the book cost of units and minor items of property retired cannot be definitely determined from the carrier's records, the book cost of such units and minor items shall be estimated. Average prices may be used in estimating the book cost when it is impractical, because of the relatively large number and small size of items, to otherwise determine the book cost of such items.

(b) The amounts thus credited to these accounts (101 to 186, inclusive) shall concurrently be charged as follows:

(1) *Value of salvage.* The value of the salvage from the retired property shall be charged to account 17, "Material and supplies," or other accounts appropriate according to the disposition made thereof. In case retired property is held without being torn down the estimated value of the salvage therefrom (see also account 17, "Material and supplies") less the estimated cost of salvaging shall be included in account 28, "Other deferred debits," until the salvage is recovered.

(2) *Service value of depreciable property.* Units of property. The service value shall be charged to account 74, "Accrued depreciation; carrier property."

Minor items: There shall be charged to account 74, "Accrued depreciation; carrier property," the service value of any minor item which is retired and not replaced or if replaced with an item of different type or design or constructed of a different grade of material rendering the part applied more or less durable or of greater or less capacity than the item retired.

NOTE: In case a minor item of property is retired and replaced with an item of different type or design, the cost of the replacement shall be charged to operating expenses if the retirement is not under a general plan, the cost involved is small, and in the judgment of the carrier the retirement and replacement does not affect the condition and value of its property for valuation or depreciation purposes.

(3) *Land.* If the land is sold the difference between the book cost (including the proportionate cost of assessments for public improvements) and the sale price of the land, shall be debited to account 312, "Debits from retired carrier property," or credited to account 302, "Credits from retired carrier property," as may be appropriate. If the land is retained by the carrier, the aforesaid book cost and proportionate cost of assessments shall be charged to account 5, "Miscellaneous physical property."

(c) The cost of removal: The cost of tearing down retired property (including the cost of removing foundations and filling excavations of structures removed) and recovering the salvage shall be charged to account 74, "Accrued depreciation; carrier property," except that the current cost of removing and replacing line pipe and fittings in maintenance shall be included in accounts 602, 652, 752, "Repairs of pipe lines."

NOTE: The book cost of pipe-line construction applicable to a unit of oil-line pipe retired shall be credited to accounts 105, 155, and charged to account 74.

If the retired oil-line pipe is replaced with other pipe in the same location, the cost of opening and back-filling the trench, together with the cost of hauling, laying, and connecting the pipe, and other cost of pipe-line construction, shall be charged to accounts 105, 155. The cost of taking out the retired pipe shall be accounted for as cost of recovering the salvage. The cost of reconditioning of oil-line pipe shall be accounted for as repairs and not as retirements and replacements.

If the retired oil-line pipe is not replaced in the same location, the cost of opening and back-filling the trench from which the pipe is taken, together with the cost of taking out the pipe, shall be accounted for as cost of recovering the salvage.

(d) Property installed: The cost of carrier property installed in lieu of carrier property accounted for as retired, under the foregoing sections of this instruction, shall be charged to the appropriate carrier-property account.

§ 20.0-39 *Relocations.* Where a pipe line is relocated, the same size of oil-line pipe being used, and the relocated line continues to serve the same lease or purpose, the cost of the relocation, regardless of whether or not a unit of line pipe is involved, shall be charged to account 602, 652, and no adjustment shall be made of property accounts except to the extent that the pipe line is shortened or lengthened.

NOTE: Where a pipe line is abandoned it shall be accounted for as retired in accordance with § 20.0-38 *Retirements and replacements.*

CARRIER-PROPERTY ACCOUNTS

§ 20.100 *Text pertaining to carrier-property accounts.* Separate primary accounts are prescribed for carrier property in gathering lines, in trunk lines, and for such property as is used generally for both gathering and trunk lines. To establish at a glance that the accounting requirements are the same for the same kind of property in each of the three groupings, a single text is provided hereinafter for the two (or three) primary account numbers having identical titles, as indicated by the following table:

Account No.			Account title
Gathering lines	Trunk lines	General	
101	151	171	Land.
102	152	-----	Rights-of-way.
103	153	-----	Line pipe.
104	154	-----	Line-pipe fittings.
105	155	-----	Pipe-line construction.
106	156	176	Buildings.
107	157	-----	Boilers.
108	158	-----	Pumping equipment.
109	159	179	Machine tools and machinery.
110	160	-----	Other station equipment.
111	161	-----	Oil tanks.
112	162	-----	Delivery facilities.
113	163	183	Communication systems.
114	164	184	Office furniture and equipment.
115	165	185	Vehicles and other work equipment.
116	166	186	Other property.
-----	-----	191	Construction work in progress.
-----	-----	192	Unadjusted investments.
-----	-----	193	Acquisition adjustment.

The several primary accounts included in this group of accounts are designed to show the cost of land, rights-of-way, assessments for the construction of public improvements, fixed improvements, and equipment owned by the carrier and devoted to pipe-line operations.

GATHERING LINES

§ 20.101 *Land.* (a) This account shall include the cost of land of necessary width, held in fee simple, acquired for pipe lines; the cost of land for storage, station, office, shop, and other grounds; the cost of land for ingress to or egress from such grounds; the cost of land for borrow pits, waste banks, and for storage of material adjoining the right-of-way; the cost of land for wharves and docks, and the cost of riparian or water rights necessary therefor; the cost of removing from the right-of-way and locating elsewhere the property of others, and the cost of necessary land for relocation of the property, when such costs are assumed by the accounting carrier.

(b) When land, together with buildings thereon, is acquired the cost shall be fairly apportioned between the land and the buildings and accounted for accordingly. If the plan of acquisition contemplates the removal of the buildings, the total cost of the land and buildings shall be accounted for as the cost of the land and the value of the salvage of the buildings when disposed of shall be deducted from the cost of the land as determined.

(c) Proceeds from the sale of timber or other improvements purchased with land, less any cost of removal, shall be credited to this account.

(d) Proceeds from the sale of minerals known to be in the land when purchased and considered in the purchase price thereof shall be credited to this account.

(e) The cost of filling submerged or low land to establish a general level to render it usable for construction of fixed improvements or other use shall be included in this account.

(f) The amounts assessed on pipe-line property by governmental authority to cover the cost of constructing public improvements when such assessments are made against property within the defined areas of taxing districts and also cost borne by the carrier of public improvements constructed by it under governmental requirements shall be included in this account.

(g) The cost of clearing, filling, and leveling land incurred in advance of the construction of facilities thereon, and directly related to land owned outright, shall be included in this account.

Items

Abstracts.
Appraisals.
Commissions and fees to brokers, agents, and others.

Compensation and expenses of land agents when specifically assigned to land but not arbitrary apportionments for incidental services.

Condemnation expenses, including court costs and special counsel fees; also fees of commissioners appointed by the court to assess damages in condemnation proceedings.

Cost, including agreed settlements, judgments, witness fees, and decreed court costs in proceedings to clear or defend titles

against defects antedating the carrier's acquisition of property.

Costs of making changes in or relocating property of others, when borne by the carrier in order to secure permanent rights to locations, the cost of which is includible in this account; also the cost of securing sites for such relocations.

Cost of securing less restricted use of land, whether payments to others for relinquishment of rights or losses sustained in property trades entered into solely to secure relief from such obligations.

Ditches for waterways when part of consideration.

Lump-sum payments for right to use in perpetuity or for a period of years public property for carrier service. Such amounts paid for the right to use for a period of years only shall be amortized through account 412, "Pipe-line taxes."

Notarial fees.

Payments to vendors to secure release from restrictive provisions of original deeds.

Plats.

Premiums on condemnation bonds.

Recording deeds.

Removal and relocation of buildings and other structures not purchased.

Taxes and assessments for public improvements accrued and assumed at time of purchase.

Taxes on land during the construction period.

NOTE A: When the acquisition of land for carrier service involves also the purchase of land not to be used for such purposes, the charges to this account shall be based upon the estimated cost at date of acquisition of only that portion which is used for carrier service. The estimated value of that portion which is not or will not in the near future be so used shall be included in account 5, "Miscellaneous physical property." When such land is practically worthless, it shall be included in the account at a nominal value for record purposes.

NOTE B: Payments for options and of interest on options and on contracts to purchase land which it is proposed to use in contemplated construction projects shall be carried in account 28, "Other deferred debits," pending determination as to whether to proceed with the project. If it be decided to proceed with the project, the balance in account 28 shall be cleared therefrom and charged to account 191, "Construction work in progress." If not, the amount lost, including interest, if any, shall be charged to account 314, "Miscellaneous debits."

NOTE C: The net proceeds from the sale of minerals and timber in excess of the amount considered therefor in the purchase price of the land shall be credited to account 304, "Miscellaneous credits."

NOTE D: When land has been purchased for a proposed pipe-line operation project and the project has been indefinitely postponed before construction work is begun, the cost of the property shall be transferred to account 5, "Miscellaneous physical property," sufficient details being included in the entry to permit the classification of the various items of cost in case the project is later pursued. The cost of the work which has been done shall be included in account 28, "Other deferred debits," until a decision shall have been reached as to execution or abandonment of the project. If it be determined to continue the work the cost of the land and the work which has been done shall be transferred to account 191, "Construction work in progress." If the project be abandoned the cost of the work which has been done shall be charged to account 314, "Miscellaneous debits."

NOTE E: Annual or more frequent payments for the use of land shall be charged to the account appropriate for the rents.

NOTE F: When land is acquired for which there is not a definite plan for its use in pipe-line operation service, the cost shall be

charged to account 5, "Miscellaneous physical property."

NOTE G: In case land is purchased under a definite plan for its use in a construction project, its cost shall be included in account 191, "Construction work in progress," until such time as the project involved is completed ready for service.

NOTE H: The cost of clearing, leveling or grading land, both before and after the construction of facilities thereon, but directly related to such facilities, shall be included in the accounts provided for the cost of the facilities constructed.

§ 20.102 Rights-of-way. This account shall include amounts paid for rights-of-way* also expenses in connection with obtaining such rights-of-way. It shall also include the cost of clearing, filling, and leveling right-of-way, over which the carrier has been granted an easement or which is held under perpetual lease, in advance of the construction of facilities thereon.

NOTE A: The cost of land owned in fee simple, used as right-of-way, is provided for in account 101, 151, 171, "Land."

NOTE B: Periodical rents paid for use of right-of-way shall be charged to account 640, 690, 780, "Operating rents."

NOTE C: The cost of clearing, leveling, or grading right-of-way, both before and after the construction of facilities thereon, but directly related to such facilities, shall be included in the accounts provided for the cost of the facilities constructed.

§ 20.103 Line pipe. This account shall include the costs of oil-line pipe laid in the construction of oil-pipe lines, including oil-line pipe laid between pumping-station manifolds and oil storage tanks, also oil-line pipe extending into scraper pits.

NOTE: The cost of teaming and laying oil-line pipe is provided for in account 105, 155, "Pipe-line construction."

§ 20.104 Line-pipe fittings. This account shall include the cost of pipe fittings laid in construction of oil-pipe lines.

NOTE: The cost of teaming and laying pipe fittings in oil lines is provided for in account 105, 155, "Pipe-line construction."

§ 20.105 Pipe-line construction. (a) This account shall include all costs of constructing oil-pipe lines, except the cost of pipe and pipe fittings provided for in account 103, 153, "Line pipe," and account 104, 154, "Line pipe fittings."

(b) It includes items used in the protection of oil-pipe lines applied directly to or around the pipe, such as casing pipe and vent lines, concrete, bituminous coatings, etc., and teaming and labor expended in excavating, connecting up pipe lines and back filling. It also includes the construction of scraper and other pipe line pits which do not include an above-ground building and the damages to crops and timber and other damages incident to construction of pipe lines.

NOTE A: If a project involving the construction of scraper or other pipe line pits, includes an above-ground building, the cost of constructing the pit and building, including material and labor, shall be charged to account 106, 156, 176, "Buildings." In the construction of such pits, whether or not they include an above-ground building, the cost of the line pipe extending into the pit shall be included in account 103, 153, "Line pipe," the cost of the fittings shall be included in account 104, 154, "Line-pipe fittings," and

the labor installing the pipe and fittings shall be included in this account. (For station manifolds see account 110, 160.)

NOTE B: The cost of reopening the trench and backfilling subsequent to original construction, for the purpose of applying protection and casing shall be charged to account 602, 652, 752, "Repairs of pipe lines."

§ 20.106 Buildings. This account shall include the cost of buildings, including foundations, fixtures, and appurtenances, other than those the cost of which is chargeable to account 112, 162, "Delivery facilities." Where the construction of scraper or other pipe line pits, includes an above-ground building, this account shall also include the cost of constructing the pit and the building including material and labor. (See account 105, 155.)

NOTE A: The cost of foundations special to boilers, engines, and pumps, and machine tools and machinery shall be included in the cost of such machinery and apparatus.

NOTE B: The cost of grading and preparing grounds both before and after the construction of buildings, and the cost of constructing sidewalks, driveways, and fences thereon, shall be included in the cost of the buildings, as shall also the fees and expenses of architects specially employed for designing or supervising the construction of the buildings, but the cost of restoring the grounds after repair work shall be included in the appropriate operating-expense accounts. The cost of permanent water rights shall also be included in the cost of the buildings.

§ 20.107 Boilers. This account shall include the cost of boilers, including accessories and attachments such as injectors, water gages, steam gages and fittings, and the cost of special boiler foundations and installations.

NOTE A: The cost of foundations other than those special to particular boilers shall be included in the cost of the building, and not in this account.

NOTE B: The cost of boilers for use in connection with delivery facilities shall be included in account 112, 162, "Delivery facilities." The cost of boilers used for heating purposes shall be included in the cost of the building in which located.

§ 20.108 Pumping equipment. This account shall include the cost of engines, motors, pumps, and all other pumping equipment, and the cost of special foundations and installation.

NOTE A: The cost of foundations, other than those special to particular engines and pumps, shall be included in the cost of the building, and not in this account.

NOTE B: The cost of engines and pumps for use in connection with delivery facilities shall be included in account 112, 162, "Delivery facilities."

§ 20.109 Machine tools and machinery. This account shall include the cost of machine tools and machinery, including the cost of their special foundations and installation.

NOTE: The cost of foundations, other than those special to particular machine tools and machinery, shall be included in the cost of the building, and not in this account.

§ 20.110 Other station equipment. This account shall include the cost of all station equipment not provided for elsewhere, such as electric light, gas, and refrigeration equipment, manifolds, and miscellaneous equipment and fittings. It shall also include the carrier's in-

vestment in tracks if located at and used in connection with a station.

§ 20.111 *Oil tanks.* This account shall include the cost of oil tanks, including grades, roofs, fire banks, steam coils, swing pipes, inlet valves, and outlet valves.

§ 20.112 *Delivery facilities.* This account shall include the cost of facilities for receiving or delivering oil and oil products from or to water lines, railroads, and trucks, such as delivery racks, wharves (including buildings thereon) docks, and slips, including piling, pile protection, cribs, cofferdams, walls, and other necessary devices and apparatus for the operation or protection of such property. It shall also include the cost of engines, pumps, and boilers at loading racks and on wharves, the construction of oil-pipe lines between oil tanks and delivery facilities, and the carrier's investment in tracks if located at and used in connection with delivery facilities.

NOTE A. The cost of land on which delivery facilities are located shall be charged to account 101, 151, 171, "Land."

NOTE B: The cost of grading and preparing grounds, both before and after the construction of delivery facilities, and the cost of constructing sidewalks, driveways, and fences thereon shall be included in the cost of the facilities, but the cost of restoring the grounds after repair work shall be included in the appropriate operating-expense accounts.

§ 20.113 *Communication systems.* This account shall include the cost of telegraph, wireless, telephone, and radio equipment.

DETAILS OF TELEGRAPH AND TELEPHONE TERMINAL EQUIPMENT

Batteries.
Cables and wires, interior.
Conduits, interior.
Connecting wires.
Current-controlling instruments.
Electric generators and motors.
Electric meters.
Engines, stationary.
Fuses and mechanical protectors.
Rectifiers.
Rheostats.
Sending and receiving instruments.
Switchboards.
Testing outfits.
Transformers.

DETAILS OF TELEGRAPH AND TELEPHONE OUTSIDE PLANT

Aerial attachments.
Braces.
Brackets.
Cable boxes and appurtenances.
Cables and wires, aerial.
Conduits and appurtenances.
Cross arms and cross-arm bolts.
Guy stubs and anchors.
Guy rods and wires.
Insulators and pins.
Poles.
Submarine cables and connections.
Telephone pole boxes.
Towers.
Underground cables and connections.

DETAILS OF RADIO AND WIRELESS EQUIPMENT

Radio transmitters.
Radio receivers.
Radio antenna, complete, with or without supports.
Wireless receiving equipment.
Wireless sending equipment.

§ 20.114 *Office furniture and equipment.* This account shall include the cost of office equipment, furniture, and fixtures for general and local office buildings, such as office safes, desks, chairs, typewriters, adding and calculating machines, filing cabinets, fire extinguishers, rugs, carpets, and other floor covering, etc., when not built in or permanently attached to buildings.

§ 20.115 *Vehicles and other work equipment.* This account shall include the cost of motor and other vehicles, motor and other portable work equipment, garage equipment, and portable tools and machines such as drills, hoists, jacks, power mowers, stocks and dies, laying tongs, vises, air compressors, welding machines, valve reseating machines, pipe-cleaning machines, and concrete mixers, not specifically provided for in other accounts.

§ 20.116 *Other property.* This account shall include the cost of property used in pipe-line operations not provided for elsewhere.

TRUNK LINES

§ 20.151 *Land.* (For text of this section see § 20.101.)

§ 20.152 *Rights-of-way.* (For text of this section see § 20.102.)

§ 20.153 *Line-pipe.* (For text of this section see § 20.103.)

§ 20.154 *Line-pipe fittings.* (For text of this section see § 20.104.)

§ 20.155 *Pipe-line construction.* (For text of this section see § 20.105.)

§ 20.156 *Buildings.* (For text of this section see § 20.106.)

§ 20.157 *Boilers.* (For text of this section see § 20.107.)

§ 20.158 *Pumping equipment.* (For text of this section see § 20.108.)

§ 20.159 *Machine tools and machinery.* (For text of this section see § 20.109.)

§ 20.160 *Other station equipment.* (For text of this section see § 20.110.)

§ 20.161 *Oil tanks.* (For text of this section see § 20.111.)

§ 20.162 *Delivery facilities.* (For text of this section see § 20.112.)

§ 20.163 *Communication systems.* (For text of this section see § 20.113.)

§ 20.164 *Office furniture and equipment.* (For text of this section see § 20.114.)

§ 20.165 *Vehicles and other work equipment.* (For text of this section see § 20.115.)

§ 20.166 *Other property.* (For text of this section see § 20.116.)

GENERAL

§ 20.171 *Land.* (For text of this section see § 20.101.)

§ 20.176 *Buildings.* (For text of this section see § 20.106.)

§ 20.179 *Machine tools and machinery.* (For text of this section see § 20.109.)

§ 20.183 *Communication systems.* (For text of this section see § 20.113.)

§ 20.184 *Office furniture and equipment.* (For text of this section see § 20.114.)

§ 20.185 *Vehicles and other work equipment.* (For text of this section see § 20.115.)

§ 20.186 *Other property.* (For text of this section see § 20.116.)

§ 20.191 *Construction work in progress.* This account shall include the cost of construction of carrier property not completed ready for service at the date of balance sheet, including the cost of land acquired for such projects (see note B to account 101, 151, 171, "Land") and of unapplied construction material and supplies located at point of use for the construction of new equipment and/or extensions. It includes interest and taxes during construction and other elements of cost of such construction work. When any carrier property, the cost of construction of which has been included in this account, is completed ready for service, the cost thereof shall be credited to this account and charged to the other primary property accounts appropriate to the character of the property.

NOTE. It is not required that this account shall include the cost of construction work which is placed in service as the work progresses.

§ 20.192 *Unadjusted investments.* This account shall include the difference between the total amount of the carriers' investment as stated in account 1, "Investment in carrier property," and the sum of the amounts transferred to property accounts 101 to 191, inclusive, in setting up the accounting records to meet the requirements of this system of accounts.

§ 20.193 *Acquisition adjustment.* (a) This account shall include the difference between (1) the cost to the accounting company of pipe-line property acquired by purchase and (2) the amount distributed to the primary property accounts. (See § 20.0-34 *Pipe-line Operating property purchased.*)

(b) This account shall also include the difference between the assets acquired (accounts 1 to 28, inclusive) and the par or recorded value of the accounting company's capital stock plus its debts and other liabilities (accounts 51 to 79, inclusive) in respect of pipe-line property acquired in reorganization under the circumstances set forth in § 20.0-30 *Reorganizations.*

(c) Any balance remaining in this account after making the entries provided for under paragraphs (a) or (b) shall be subject to such ultimate disposition as the Commission may direct.

EARNED SURPLUS INSTRUCTIONS

§ 20.0-41 *Purpose of earned surplus accounts.* The earned surplus accounts are a group of primary accounts that form the connecting link between the income accounts and the balance sheet account, "Earned surplus." The several accounts thereof (301 to 317) are designed to show the changes in earned

surplus or deficit during each calendar year resulting from (a) the operations and other transactions during the period as reflected in the income accounts, (b) appropriations or other reservations of earned surplus for specific purposes, (c) accounting adjustments not properly includible in income, (d) gains and losses not accounted for elsewhere, and (e) appropriations for dividends.

EARNED SURPLUS ACCOUNTS

CREDIT

§ 20.301 *Income balance.* This account shall be maintained in the general books of the carrier. The balance of all income primary accounts (401 to 424, inclusive) shall be closed into this account at the end of each calendar year.

§ 20.302 *Credits from retired carrier property.* This account shall include the credits to earned surplus on account of:

- (a) Land sold.
- (b) From depreciable property abandoned, sold, or otherwise retired.

NOTE: This account shall be used in accounting for depreciable property retired only after permission of this Commission has been obtained. (See paragraph (g) of § 20.0-8 *Depreciation accounting.*)

§ 20.304 *Miscellaneous credits.* This account shall include amounts, not provided for elsewhere, transferred from other accounts to surplus, and amounts representing increases of resources not properly assignable to the income accounts. Among the items which shall be included in this account are:

Adjustments or cancellations of balance sheet accounts not relating to operating revenue, operating expense, or income accounts.

Cancellation of balance sheet accounts representing unclaimed wages and vouchered accounts written off because of inability to locate the creditor.

Credits resulting from adjustments required to bring to par funded debt securities issued or assumed by the carrier and reacquired at a cost less than par value.

Items erroneously collected and retained on account of inability to make refund.

Profit derived from sale of investment securities. (See account 79, "Reserve for adjustment of investment in securities.")

Profit derived from sale of property carried in account 5, "Miscellaneous physical property."

Profit from the sale of oil, the cost of which is carried in account 3, "Operating oil supply."

Sale of mineral deposits on property, when value thereof was not considered in purchase price of property.

Unreleased premium on funded debt reacquired before maturity.

DEBIT

§ 20.312 *Debits from retired carrier property.* This account shall include amounts properly chargeable to surplus on account of:

- (a) Land sold.
- (b) From depreciable property abandoned, sold, or otherwise retired.

NOTE: This account shall be used in accounting for depreciable property retired only after permission of this Commission has been obtained. (See paragraph (g) of § 20.0-8 *Depreciation accounting.*)

§ 20.314 *Miscellaneous debits.* This account shall include amounts, not pro-

vided for elsewhere, chargeable to surplus from other accounts, amounts written off in consequence of adjustments, and items not properly chargeable to income. Among the items which shall be charged to this account are:

Adjustments and cancellations of balance sheet accounts not relating to operating revenue, operating expense, or income accounts.

Debits resulting from adjustments required to bring to par funded debt securities issued or assumed by the carrier and reacquired at a cost exceeding par value.

Discount on stock remaining unextinguished at time of its reacquirement, recalculation, or retirement, if in excess of the pro rata portion includible in unearned surplus.

Losses resulting from sale or adjustment of investment securities.

Losses resulting from sale, destruction, or retirement of property carried in account 5, "Miscellaneous physical property."

Losses from the sale of oil, the cost of which is carried in account 3, "Operating oil supply."

Penalties and fines for violations of the Interstate Commerce Act or other Federal laws.

Unextinguished discount on funded debt reacquired before maturity.

§ 20.315 *Miscellaneous reservations of surplus.* This account shall include amounts definitely reserved from surplus for purposes not provided for elsewhere. Appropriations charged to this account shall be credited to account 81, "Appropriated earned surplus."

NOTE: Similar appropriations made from income shall be charged to account 420, "Miscellaneous reservations of income."

§ 20.316 *Stock discount extinguished through surplus.* This account shall include amounts definitely appropriated from surplus to reduce or extinguish the amount of discount on capital stock issued by the carrier. (See § 20.0-26 *Discount and premium on capital stock.*)

NOTE A: Similar appropriations made from income shall be charged to account 421, "Stock discount extinguished through income."

NOTE B: The use of this account is conditional upon the carrier having an adequate credit balance in surplus.

§ 20.317 *Dividend appropriations of surplus.* (a) This account shall include amounts of dividends declared, chargeable to surplus, on actually outstanding capital stock issued or assumed by the carrier, other than debenture stock. (For definition of the several classes of capital stock see account 51, "Capital stock.") If a dividend is not payable in cash, the consideration shall be described in the entry with sufficient particularity to identify it.

(b) This account shall be subdivided so as to show separately the dividends on the various subclasses of capital stock.

NOTE A: Interest accrued on debenture stock shall be charged to account 410, "Interest on long-term debt," or account 419, "Contingent interest on debt," as may be appropriate.

NOTE B: This account shall not include charges for dividends on capital stock issued or assumed by the carrier and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in insurance or other special funds. (See § 20.0-24 *Company securities owned.*)

NOTE C: Similar appropriations made from income shall be charged to account 422, "Dividend appropriations of income."

INCOME INSTRUCTIONS

§ 20.0-51 *Purpose of income accounts.* The income accounts (401 to 424, inclusive) are designed to show, as nearly as practicable, for each fiscal period, the amount of money that a carrier becomes entitled to receive for services rendered, the returns accrued upon investments, the accrued costs paid or payable for the services rendered by it, the losses sustained by it, the amounts accrued for taxes, for use of moneys, and for use of properties of others, and reservations and appropriations of income during the period.

§ 20.0-52 *Statement of income accounts.* The accounting for income shall be, as nearly as practicable, coincident with the transactions or the occurrences which create them. If, for the purpose of meeting this requirement, the carrier accounts for unaudited income upon an accrual basis, it shall file with this Commission a comprehensive statement indicating the particulars of its plan of accrual. It shall also file with this Commission any revision made in its plan of accounting for accruals.

§ 20.0-53 *Form of income statement.*

Operating Income

401 Operating revenues.

411 Operating expenses.

Net revenue from operations.¹

412 Pipe-line taxes:

(A) Income and excess-profits taxes.

(B) Other taxes.

Pipe-line operating income.¹

403 Income from miscellaneous operating physical property.

413 Taxes on miscellaneous operating physical property.

Miscellaneous operating income.

Total operating income.¹

Other Income

404 Income from miscellaneous nonoperating physical property.

405 Dividend income.

409 Interest income.

407 Income from insurance and other reserve funds.

408 Release of premium on funded debt.

409 Miscellaneous income.

410 Delayed income credits.

Total other income.

Total income.¹

Miscellaneous Deductions From Total Income

414 Miscellaneous taxes.

415 Miscellaneous income charges.

423 Bad debts.

424 Delayed income debits.

Total miscellaneous deductions.

Income available for fixed charges.¹

Fixed Charges

416 Interest on long-term debt.

417 Interest on unfunded debt.

418 Amortization of discount on funded debt.

Total fixed charges.

Income after fixed charges.¹

Contingent Charges

419 Contingent interest on debt.

Net income.¹

Disposition of Net Income

420 Miscellaneous reservations of income.

421 Stock discount extinguished through income.

422 Dividend appropriations of income.

Total appropriations of income.

301 Income balance.¹

¹ If a loss, the amount shall be shown in red.

INCOME ACCOUNTS

CREDIT

§ 20.401 *Operating revenues.* This account shall include the total revenues classable in the operating-revenue accounts.

§ 20.403 *Income from miscellaneous operating physical property.* This account shall include the net balance of the revenues or income from, and the expenses (including depreciation) from the operation by the carrier of physical property, the cost of which is includible in account 5, "Miscellaneous physical property," and also of physical property of others leased and used by the carrier for other than transportation purposes. The rent for leased property which is used by the carrier for other than transportation purposes; assessments for maintenance of public improvements against such property when borne by the carrier; and directly assignable organization or administration expenses incident to investment in miscellaneous operating physical property shall be included in this account.

NOTE A: Net credit balances shall be shown in the income statement in black, and net debit balances in red.

NOTE B: Taxes on miscellaneous operating physical property shall be included in account 413, "Taxes on miscellaneous operating physical property."

§ 20.404 *Income from miscellaneous nonoperating physical property.* This account shall include the net credit balance of nonoperating revenues or income from and the expenses of (including depreciation but excluding taxes) physical property, the cost of which is carried in balance-sheet account 5, "Miscellaneous physical property."

NOTE A: Net debit balance in this account should be shown in red.

NOTE B: The net income from the operation of miscellaneous operating physical properties shall be included in account 403, "Income from miscellaneous operating physical property."

§ 20.405 *Dividend income.* (a) This account shall include dividends declared on stocks the income from which is the property of the carrier, whether such stocks are owned by the carrier and held in its treasury, or deposited in trust, or controlled through lease or otherwise.

(b) Dividends may be credited prior to the actual collection if their payment is reasonably assured by past experience, guaranty, anticipated provisions, or otherwise.

NOTE: Dividends on stocks of other companies held in insurance or other special reserve funds shall be credited to account 407, "Income from insurance and other reserve funds."

§ 20.406 *Interest income.* This account shall include the interest on securities and debenture stock of other companies, the income from which is the property of the carrier, whether such securities are owned by it and held in its treasury, or deposited in trust, or controlled through lease or otherwise. It shall include also interest on notes and other evidences of indebtedness and interest on bank balances, certificates of deposit, open accounts (including open-

account advances chargeable to account 6, "Investments in affiliated companies") and other analogous items. Interest accrued shall not be credited before actual collection unless its payment is reasonably assured by past experience, guaranty, anticipated provisions, or otherwise.

NOTE A: Interest on securities of other companies held in insurance or other reserve funds shall be included in account 407, "Income from insurance and other reserve funds."

NOTE B: Discount on bills for material purchased shall be credited to the account to which the cost of the material is charged.

§ 20.407 *Income from insurance and other reserve funds.* (a) This account shall include the income accrued on cash, securities, and other assets (not including securities issued or assumed by the carrier) held in sinking, insurance, and other reserve funds. In this account shall be included also profits realized and losses sustained in the sale of securities held in such funds.

(b) There may be included in the accounts for each fiscal period the applicable amount requisite to extinguish during the interval between the date of acquisition and the date of maturity the discount or premium on funded securities held in insurance or other reserve funds. Amounts thus credited or charged shall be concurrently charged or credited to the accounts in which the securities are carried.

NOTE: Credits to fund reserve accounts representing income from those funds (retainable in them) shall be concurrently charged to account 420, "Miscellaneous reservations of income."

§ 20.408 *Release of premium on funded debt.* This account shall include during each fiscal period such proportion of the premiums on outstanding funded debt as is applicable to that period. This proportion shall be determined in accordance with paragraph (c) of § 20.0-27 *Discount, premium, and expense on funded debt.*

§ 20.409 *Miscellaneous income.* This account shall include all items, not provided for elsewhere, properly creditable to income during the fiscal period.

Items

Profits from conversion of funds of a foreign country into United States funds. Fees collected in connection with the exchange of coupon bonds for registered bonds. Amortization of discount on funded debt securities of others owned by the accounting company.

§ 20.410 *Delayed income credits.* This account, which may be used only after permission of this Commission has been obtained, shall include delayed credit items and adjustments for which no provision has previously been made, relating to operating revenues, operating expenses, and income arising during the current year which are applicable to prior years and which are relatively so large that their inclusion in the accounts appropriate for current items of the same class would seriously distort those accounts for the year. (See § 20.0-4, *Delayed items.*)

NOTE: All entries in this account shall be made in such detail as will indicate the

operating-revenue, operating-expense, or income accounts to which they relate.

DEBIT

§ 20.411 *Operating expenses.* This account shall include the total expenses classable in the operating-expense accounts.

§ 20.412 *Pipe-line taxes.* This account shall include accruals for taxes of all kinds (including Federal and State income taxes) relating to carrier property, operations, privileges, and licenses, whether based upon the valuation of the property, amount of stocks and bonds issued or outstanding, gross or net earnings, dividends declared, expense requirements of governmental bodies, or otherwise.

This account shall be subdivided to show:

- (a) Income and excess-profits taxes.
- (b) Capital-stock taxes.
- (c) Transportation taxes.
- (d) Property taxes.
- (e) Other taxes.

NOTE A: Taxes assumed by the lessee on property the rent from which is includible in account 503, 553, "Rent revenues," shall be included in this account by the lessee. Other taxes, including property taxes, of the lessor assumed by the lessee, shall be included in this account by the lessor.

NOTE B: Taxes on other than carrier property, operations, privileges, and licenses shall be charged to account 413, "Taxes on miscellaneous operating physical property," or account 414, "Miscellaneous taxes."

NOTE C: Special assessments for street and other public improvements and special benefit taxes, such as water taxes and the like, shall be included in operating-expense or investment accounts, as may be appropriate. The entire amount of the assessment for each public improvement project shall be accounted for as soon as the amount thereof is determined. Installments deferred without option to the carrier shall be included in account 78, "Other deferred credits."

NOTE D: Discount allowed for prompt payment of taxes shall be credited to the account to which the taxes are chargeable.

§ 20.413 *Taxes on miscellaneous operating physical property.* This account shall include the accrual of all taxes paid or payable on miscellaneous operating physical property.

NOTE: Taxes on miscellaneous nonoperating physical property shall be included in account 414, "Miscellaneous taxes."

§ 20.414 *Miscellaneous taxes.* This account shall include all tax accruals not provided for elsewhere, such as taxes on securities owned, taxes on income from securities owned, and taxes on miscellaneous nonoperating physical property.

NOTE: Discounts allowed for the prompt payment of taxes shall be credited to the account to which the taxes are chargeable.

§ 20.415 *Miscellaneous income charges.* This account shall include all items not provided for elsewhere properly chargeable to income for a fiscal period.

Items

Cost of advertising bonds drawn for redemption.

Membership fees and dues in associations which do not have some direct or intimate relations to pipe-line operations of the carrier.

Trusts, current expenses of maintaining and administering.

Premiums on bonds to assure performance of contractual obligations when payments under the contracts are chargeable to income accounts.

Losses due to conversion of funds of a foreign country into United States funds.

Extinguishment of premium on funded debt securities of others owned by the accounting company.

Normal and additional income taxes upon interest on the accounting company's funded debt when assumed by it.

§ 20.416 *Interest on long-term debt.* This account shall include the current accruals of interest on all classes of debt issued for a term of 2 years or more, such as debt the principal of which is includible in account 55, "Funded debt unmatured," 56, "Receivers' certificates" (maturing more than 2 years from date of issue) or 57, "Nonnegotiable debt to affiliated companies." It shall also include interest accruals on debenture stock. This account shall be kept in such form that the interest on debenture stock, on receivers' certificates, and on other classes of funded debt may be shown separately in the annual report to this Commission.

NOTE A: This account shall not include charges for interest on funded debt obligations issued or assumed by the carrier and owned by it, whether pledged as collateral or held in its treasury, in special deposits, insurance, or other funds. (See also account 407, "Income from insurance and other reserve funds.")

NOTE B: Interest expressly provided for and included in the face amount of securities issued in the acquisition of physical property shall be charged, when the securities are issued, to a suspense account under account 28, "Other deferred debits," and cleared to this account as the interest accrues.

NOTE C: Interest on funded debt obligations, the payment of the principal of which has been extended by agreement beyond the date of original maturity, shall be included in this account.

§ 20.417 *Interest on unfunded debt.* (a) This account shall include all accrued interest payable, except that chargeable to account 416, "Interest on long-term debt," or to the investment accounts. Discount and expenses on short-term notes, maturing 2 years or less from date of issue, if considerable in amount, shall be distributed by equal monthly charges to this account, throughout the term of the notes; if inconsiderable in amount, it shall be charged to this account when incurred.

(b) A list follows of representative items of indebtedness, interest on which is chargeable to this account:

(1) Advances other than investment advances from affiliated companies.

(2) Assessments for public improvements.

(3) Bond coupons, matured and unpaid.

(4) Capital-stock subscriptions, receipts for installments on.

(5) Claims and judgments.

(6) Funded debt matured, with respect to which a definite agreement as to extension has not been made.

(7) Open accounts (other than those classable in account 57, "Nonnegotiable debt to affiliated companies")

(8) Receivers' certificates issued for a term of 2 years or less.

No. 194—4

(9) Short-term notes payable on demand or having maturity dates 2 years or less from date of issue.

(10) Tax assessments, past due.

NOTE A: When unfunded debt is incurred for carrier property, the accrual of interest thereon (less interest received on unexpended balances) to the date of completion or coming into service of the property so acquired shall be included in the appropriate carrier-property accounts.

NOTE B: Interest payable on notes or other evidences of indebtedness maturing serially shall be charged to account 416, "Interest on long-term debt," if any portion of the obligation matures more than 2 years from date of issue.

NOTE C: Interest on installments of taxes which are deferred without option of the carrier shall be included as a part of the assessment. All other interest on tax assessments shall be charged to this account.

§ 20.418 *Amortization of discount on funded debt.* This account shall include during each fiscal period such proportion of the discount and expense on outstanding funded debt as is applicable to that period. This proportion shall be determined in accordance with paragraph (c) of § 20.0-27 *Discount, premium, and expense on funded debt.*

§ 20.419 *Contingent interest on debt.* This account shall include interest payable on funded debt, when a claim against income after fixed charges and prior to the interest of stockholders in the earnings of the carrier, such as interest on income bonds.

NOTE A: Fixed interest on funded debt shall be included in account 416, "Interest on long-term debt."

NOTE B: Contingent interest on funded debt obligations, the payment of the principal of which has been extended by agreement beyond the date of maturity, shall be included in this account.

§ 20.420 *Miscellaneous reservations of income.* This account shall include amounts definitely reserved from income for purposes not provided for elsewhere. Appropriations charged to this account shall be credited to account 81, "Appropriated earned surplus."

NOTE: Similar appropriations made from surplus shall be charged to account 315, "Miscellaneous reservations of surplus."

§ 20.421 *Stock discount extinguished through income.* This account shall include amounts definitely appropriated from income to reduce or extinguish the amount of discount on capital stock issued by the carrier. (See paragraph (b) of § 20.0-26 *Discount and premium on capital stock.*)

NOTE: Similar appropriations made from surplus shall be charged to account 316, "Stock discount extinguished through surplus."

§ 20.422 *Dividend appropriations of income.* (a) This account shall include amounts of dividends declared, chargeable to the income of the fiscal period, on actually outstanding capital stock issued or assumed by the carrier, other than debenture stock. (For definition of the several classes of capital stock see account 51, "Capital stock.") If a dividend is not payable in cash, the consideration shall be described in the entry with sufficient particularity to identify it.

(b) This account shall be subdivided so as to show separately the dividends on the various subclasses of capital stock.

NOTE A: Interest accrued on debenture stock shall be charged to account 416, "Interest on long-term debt," or account 419, "Contingent interest on debt," as may be appropriate.

NOTE B: This account shall not include charges for dividends on capital stock issued or assumed by the carrier and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in insurance or other special funds.

NOTE C: Similar appropriations made from surplus shall be charged to account 317, "Dividend appropriations of surplus."

§ 20.423 *Bad debts.* This account shall be charged with receivables, which after a reasonably diligent effort to collect, are determined to be uncollectible.

§ 20.424 *Delayed income debits.* This account which may be used only after permission of this Commission has been obtained, shall include delayed debit items and adjustments for which no provision has previously been made, relating to operating revenues, operating expenses, and income arising during the current year which are applicable to prior years and which are relatively so large that their inclusion in the accounts appropriate for current items of the same class would seriously distort those accounts for the year. (See § 20.0-4 *Delayed items.*)

NOTE: All entries in this account shall be made in such detail as will indicate the operating-revenue, operating-expense, or income accounts to which they relate.

OPERATING REVENUES—INSTRUCTIONS

§ 20.0-61 *Purpose of operating-revenue accounts.* The operating-revenue accounts (501 to 554, inclusive) are designed to show the revenues from the carrier's pipe-line operations, and service incidental to such service classified as between "Gathering lines" and "Trunk lines."

§ 20.0-62 *Statement of operating-revenue accounts.* (a) The accounting for operating revenues shall as nearly as practicable be coincident with the transactions which create them. If, for the purpose of meeting this requirement, the carrier accounts for unaudited revenues upon an accrual basis, it shall file with this Commission a comprehensive statement indicating the particulars of its plan of accruals, including in these particulars a description of the variations in the general plan made to meet seasonal changes occurring in traffic. It shall also furnish an explanation of its plan of adjusting accrual estimates to the actual revenue earned. It shall also file with this Commission any revision made in its plan of accounting for accruals. If, during any calendar year, due to exceptional traffic conditions, the carrier finds a modification of its general plan becomes temporarily necessary in accruing certain unaudited revenue, it shall furnish a statement to this Commission of such temporary modification. Revenues thus accrued shall be included in account 78, "Other deferred credits," or account 28, "Other deferred debits," as may be appropriate.

(b) The revenue accounts shall not be used as clearing accounts for other carriers' proportions of revenue, except that overcharges discovered after the revenue has been audited may be carried in these accounts until adjusted.

§ 20.0-63 *Miscellaneous operations.* The revenue from miscellaneous operations shall be included in account 403, "Income from miscellaneous operating physical property," when the facilities used are distinct from those used by the carrier in pipe-line service or in the maintenance of facilities used in such service and the operations are not incidental thereto. (See also account 403.)

OPERATING-REVENUE ACCOUNTS

§ 20.500 *Text pertaining to operating-revenue accounts.* Separate primary accounts are prescribed for revenue from the operation of gathering lines and of trunk lines. To establish at a glance that the accounting requirements are the same for the same kind of revenue in each type of operation, a single text is provided hereinafter for the two primary account numbers having identical account titles, as indicated by the following table:

Account No.		Account title
Gathering lines	Trunk lines	
501	551	Transportation revenue.
502	552	Storage and demurrage revenue.
503	553	Rent revenues.
504	554	Miscellaneous revenue.

The primary accounts included in this general account are designed to show amounts of money which the carrier becomes entitled to receive, or which accrue to its benefit, from services rendered to others in gathering oil and oil products, in the transportation of oil and oil products, and from services incident to such operations.

GATHERING LINES

§ 20.501 *Transportation revenue.* This account shall include the revenue from the transportation of oil and oil products.

§ 20.502 *Storage and demurrage revenue.* This account shall include the revenue from the storage of oil; also demurrage charges incident to the failure of the consignee to receive oil or oil products promptly.

§ 20.503 *Rent revenues.* This account shall include revenues from the rental or subrental of carrier property by the accounting company to others.

The maintenance (repairs and depreciation) of carrier property the rent from which is includible in this account shall be charged thereto, if assumed by the accounting company, and if separable from the maintenance of other pipe-line property operated by the carrier.

NOTE A. Taxes on leased carrier property, shall be charged to account 412, "Pipe-line taxes," by the lessor.

NOTE B: The rent from property, the cost of which is includible in account 5, "Miscellaneous physical property," shall be included in account 404, "Income from miscellaneous nonoperating physical property."

§ 20.504 *Miscellaneous revenue.* This account shall include the revenue from sources other than the transporting and storage of oil and oil products, such as revenue from telegrams, telephone messages, and other incidental services, including amounts realized from the sale of oil accumulated as the result of allowances in tariffs to cover shrinkage, etc.

TRUNK LINES

§ 20.551 *Transportation revenue.* (For text of this section see § 20.501.)

§ 20.552 *Storage and demurrage revenue.* (For text of this section see § 20.502.)

§ 20.553 *Rent revenues.* (For text of this section see § 20.503.)

§ 20.554 *Miscellaneous revenue.* (For text of this section see § 20.504.)

OPERATING EXPENSES, INSTRUCTIONS

§ 20.0-71 *Purpose of operating-expense accounts.* The operating-expense accounts (601 to 691, inclusive) are designed to show expenses of the carrier in furnishing pipe-line service, including the expenses of maintenance (repairs and depreciation) of the property used in such service. General clearing accounts 751 to 791 are designed to facilitate the distribution to the appropriate gathering-line and trunk-line primary accounts of expenses of a general character. These distributions shall be upon the basis of factors deemed by the carrier to be equitable. The carrier shall maintain in its records the details of these general clearing accounts and the bases upon which the charges to them have been cleared therefrom.

§ 20.0-72 *Statement of operating-expense accounts.* The accounting for operating expenses shall, as nearly as practicable, be coincident with the transactions which create them. If, for the purpose of meeting this requirement, the carrier accounts for other than specific items under the provisions of § 20.0-3 *Unaudited items*, such as charges for loss and damage, injuries to persons, and other expenses upon an accrual basis, it shall file with this Commission a comprehensive statement indicating the particulars of its plan of accruals. It shall also file with this Commission any revision made in its plan of accounting for such accruals. It shall furnish an explanation of its plan of adjusting accrual estimates to actual expenses incurred.

§ 20.0-73 *Miscellaneous operations.* The expenses of miscellaneous operations involving the use of such facilities as hotels and restaurants, ice-supply plants, etc., shall be included in account 403, "Income from miscellaneous operating physical property," when the facilities used are distinct from those used by the carrier in pipe-line service or in the maintenance of facilities used in such service, if the operations are not incident thereto. (See also account 403.)

§ 20.0-74 *Maintenance expenses.* The accounts provided for maintenance are designed to show the cost of repairs and also the loss resulting from ordinary wear and tear of service, exposure to the ele-

ments, inadequacy, obsolescence, or other depreciation. They shall include the cost of clearing, mowing, and beautifying grounds pertaining to buildings; of maintaining sidewalks and driveways within the ground or structures; of the periodical restoration or seasonal features such as gardens, shrubbery, and lawns; of restoring sidewalks, driveways, lawns, etc., in grounds after property changes; and of clearing and removing casual encumbrances such as ice and snow.

NOTE: Cleaning station buildings and maintaining grounds, when incidentally done by station employees, is provided for in account 623, 673, "Operation of pumping stations."

§ 20.0-75 *Cost of repairs.* (a) The cost of all repairs of carrier property shall be included in the appropriate repair accounts.

(d) The cost of repairs shall include the following:

(1) Inspection, including service tests to ascertain the condition of property and to determine any repairs necessary; of adjusting, reconditioning, including the replacement in kind of minor items of carrier property such as repairing buildings and other structures; of inspecting and testing after repairs have been made to determine whether the repairs have been properly made; of incidental work, such as the construction or removal of false work; and the cost of relocating pipe-line plant when retirement accounting for units of property is not involved.

NOTE: Reconditioning of oil-line pipe shall be accounted for as repairs regardless of whether the pipe is reconditioned at the trenches or is removed to a central location for that purpose; also, changes in the method of joining the pipe, such as conversion from screw end to plain end welded pipe, shall be treated as part of the reconditioning cost.

(2) The cost of labor, material and supplies, teaming, special machine service, contract work, privileges, protection from casualties, and other analogous items of expense connected with the maintenance of carrier property.

(c) The several items of cost here referred to are defined as follows:

(1) Cost of labor includes the amount paid for labor performed by the carrier's own employees. When officers or members of their staffs are especially assigned to construction work, their pay while thus engaged shall be included in the cost of the construction work. No charge shall be made against the carrier-property accounts for the pay of operating officers and members of their staffs who merely render service incidentally in connection with property changes.

(2) Cost of materials and supplies, including small tools, is the purchase price at the point of free delivery plus the cost of inspection and loading borne by the carrier; it also includes transportation charges up to the point the material is received by the carrier which are paid to others. In calculating the cost of materials used, proper allowance shall be made for the value of unused portions and other salvage.

NOTE A. The office and traveling and other expenses of officers and employees shall be included in the accounts to which their pay

is chargeable, except that traveling and incidental expenses incurred by operating officers and members of their staffs while rendering service incidentally in connection with property changes shall be included in the cost of the work upon which they are incidentally engaged.

NOTE B: There shall be credited to these accounts the value, at current prices, of material recovered (less a suitable allowance for its second-hand condition) from property repaired and from scaffolding, cofferdams, and other temporary structures used in repair work.

(3) Cost of special machine service includes the cost of labor expended and material and supplies consumed in operating steam shovels, ditching machines, pile drivers, dredges, scrapers, and other labor-saving machines.

(4) Contract work includes amount paid for work performed under contract by other companies, firms, or individuals and costs incident to the awarding of the contract.

(5) Cost of privileges includes amount paid for special temporary privileges such as for the use of private or public property or of streets in connection with repairs of the property of the carrier.

(6) Cost of protection from casualties includes expenditures for protection against fire, flood, etc., such as payments for discovery or extinguishment of fires, payments to others for reporting leaks in pipe lines, cost of detecting and prosecuting incendiaries, witness fees in relation to such protection, amounts paid to municipal corporations and others for fire protection, protecting property against damages by floods, and analogous items. It does not include insurance premiums paid to assure reimbursement for prospective losses of carrier property. Such premiums are chargeable to account 638, 688, 788, "Insurance."

§ 20.0-76 *Royalties on appliances.* The royalties or other expenses for patent rights on appliances used in operation shall be included in the appropriate operating-expense accounts.

§ 20.0-77 *Distribution of pay and expenses of employees.* (a) Charges to the carrier-property and operating-expense accounts for services and expenses of employees engaged both in construction and operation shall be based upon the actual time engaged in the respective classes of work.

(b) The pay and expenses of an employee who performs the same class of work from day to day may be distributed upon the basis of a study of the time actually engaged in a representative period.

NOTE: The pay and expenses of an employee of one department who performs incidental services involving but small expense for another department shall be included in the expenses of the department in which the employee is regularly employed.

§ 20.0-78 *Deferring charges to operating expenses.* When an item of operating expenses incurred is so large that if included in the accounts for a single month it would distort the accounts for that month, the carrier has the option of charging the item to account 28, "Other deferred debits," and spreading

it in equal amounts in the current and remaining months of the calendar year. No such item shall be spread beyond the accounts of the current year without specific authority of this Commission.

§ 20.0-79 *Equalization of expenses.* For the purpose of equalizing the monthly charges for the repairs of carrier property the carrier may include each month in the appropriate primary repair accounts a uniform proportion of the amount of authorized estimates of such expenses for the calendar year. In a like manner the authorized estimates of expenses on account of personal injury, damages to property, and other claims may be equalized in the monthly accounts of the calendar year.

OPERATING-EXPENSE ACCOUNTS

§ 20.600 *Text pertaining to operating-expense accounts.* Separate primary accounts are prescribed for expenses of operating gathering lines and trunk lines, and for those expenses common to both. To establish at a glance that the accounting requirements are the same for the same kind of expense in each type of operation, a single text is provided hereinafter for the two (or three) primary account numbers having identical account titles, as indicated by the following table:

MAINTENANCE			
Gathering lines	Trunk lines	General clearing accounts	
601	631	751	Superintendence.
602	632	752	Repairs of pipe lines.
604	634	754	Repairs of buildings.
605	635	755	Repairs of pumping stations.
606	636	756	Repairs of oil tanks.
607	637	757	Repairs of delivery facilities.
608	638	758	Repairs of communication systems.
609	639	759	Repairs of office furniture and equipment.
610	640	760	Repairs of vehicles and other work equipment.
611	641	761	Repairs of other property.
612	642	762	Other expenses.
613	643	763	Depreciation.
614	644	764	Extraordinary retirements.
TRANSPORTATION			
621	671	771	Superintendence.
622	672	772	Operation of pipe lines.
623	673	773	Operation of pumping stations.
624	674	774	Operation of oil tanks.
625	675	775	Operation of delivery facilities.
626	676	776	Operation of communication systems.
627	677	777	Oil shortage.
628	678	778	Other expenses.
GENERAL OFFICE			
631	681	781	General office salaries.
632	682	782	General office supplies and expenses.
633	683	783	Low expenses.
OTHER EXPENSES			
634	684	784	Injuries to persons.
635	685	785	Relief and pensions.
636	686	786	Damage to property.
637	687	787	Stationery and printing.
638	688	788	Insurance.
639	689	789	Casualty losses.
640	690	790	Operating rents.
641	691	791	Other expenses.

GATHERING LINES

Maintenance

§ 20.601 *Superintendence.* This account shall include the pay of superintendents in charge of maintenance of pipe-line property; the pay of their assistants, engineers, draftsmen, clerks, and attendants; and an equitable proportion of the salaries of officers engaged in maintenance who are also engaged in work for the benefit of other departments, together with an equitable proportion of the pay of their assistants, clerks, and attendants.

This account shall also include the office expenses, or an equitable proportion thereof, of officers or employees whose pay is included in this account.

Office expenses include items such as repairs of rented offices, and the cost of heat and light.

§ 20.602 *Repairs of pipe lines.* This account shall include the cost of repairs of oil-pipe lines, including the cost of renewing and replacing in kind less than a unit of line pipe or fittings; also the cost of relocating oil-pipe lines.

This account shall also include pay and expenses of line walkers.

NOTE: Units of line pipe and of fittings required shall be accounted as retired and their service value charged to account 74, "Accrued depreciation—Carrier property."

§ 20.604 *Repairs of buildings.* This account shall include the cost of repairs of buildings of all classes the investment in which is includible in account 106, 156, 176, "Buildings."

§ 20.605 *Repairs of pumping stations.* This account shall include the cost of repairing oil-pumping stations, including the cost of repairing pumps, boilers, air compressors, manifolds, fuel and water tanks, water and gas pipe, electric-light or power machinery, dynamos, and switchboards used in pipe-line pumping stations.

NOTE: The cost of repairs of oil-line pumping-station buildings shall be included in account 604, 634, 754, "Repairs of buildings."

§ 20.606 *Repairs of oil tanks.* This account shall include the cost of repairs of oil tanks, including grades, roofs, fire banks, steam coils, swing pipes, inlet valves, and outlet valves, and also mowing and cleaning tank farms.

§ 20.607 *Repairs of delivery facilities.* This account shall include the cost of repairs of delivery facilities the investment in which is includible in account 112, 162, "Delivery facilities."

§ 20.608 *Repairs of communication systems.* This account shall include the cost of repairs and relocations of communication systems the investment in which is includible in account 113, 163, 183, "Communication systems."

§ 20.609 *Repairs of office furniture and equipment.* This account shall include the cost of repairs of office furniture and equipment the investment in which is includible in account 114, 164, 184, "Office furniture and equipment."

§ 20.610 *Repairs of vehicles and other work equipment.* This account shall in-

clude the cost of repairs of motor and other vehicles, motor and other portable work equipment, and garage equipment not specifically provided for in other accounts.

Items

Air compressors.
Automobiles, motor trucks, and tractors, including those equipped with earth-boring machines, pumps, winches, etc.
Camp wagons, cars, and mounted kitchens.
Compressed-air tools.
Concrete mixers and breakers.
Derricks.
Ditching machines.
Draft animals.
Drills and hammers, power.
Earth-boring machines.
Forges.
Gasoline and oil pumps, portable.
Hand tools.
Hand trucks.
Harness.
Lathes.
Motor boats and barges.
Motorcycles and bicycles.
Motors and generators.
Planers.
Pumps.
Tamping and back-filling machines.
Testing equipment, portable.
Torches.
Trailers.
Wagons.
Winches, power.

§ 20.611 *Repairs of other property.* This account shall include the cost of repairs of property the investment in which is includible in account 116, 166, 186, "Other property."

§ 20.612 *Other expenses.* This account shall include the cost, not provided for elsewhere, of repairs of property used in pipe-line operations.

§ 20.613 *Depreciation.* (a) This account shall include charges covering the current loss from depreciation of carrier property.

(b) The carrier's records shall be kept in such manner that the charges for depreciation may be shown separately for each depreciable carrier-property account. (See paragraph (e) of § 20.0-8 *Depreciation accounting*, and account 75, "Amortization reserve.")

(c) This account shall also include the amount of depreciation losses through obsolescence of material and supply stock. The amount thus charged to this account shall be concurrently credited to account 73, "Operating reserves."

§ 20.614 *Extraordinary retirements.* This account shall include the proportion of the service value of carrier property retired carried in account 27, "Extraordinary maintenance suspense," which, by authority of this Commission, shall be charged to operating expenses for the period. (See paragraph (g) of § 20.0-8 *Depreciation accounting*.)

NOTE: Charges on account of oil in transit destroyed by fire shall be included in account 639, 689, "Casualty losses."

Transportation

§ 20.621 *Superintendence.* This account shall include the pay of superintendents in charge of pipe-line transportation service; the pay of their assistants, clerks, and attendants; and an equitable proportion of the salaries of

officers engaged in transportation service who are also engaged in work for the benefit of other departments, together with an equitable proportion of the pay of their assistants, clerks, and attendants.

This account shall also include the office expenses, or an equitable proportion thereof, of officers, or employees whose pay is included in this account.

Office expenses include items such as repairs of rented offices, and the cost of heat and light.

§ 20.622 *Operation of pipe lines.* This account shall include the pay of gagers and assistants, and others engaged in operating oil-pipe lines, and the cost of supplies furnished to and incidental expenses of such employees.

§ 20.623 *Operation of pumping stations.* This account shall include the pay of engineers, firemen, and others employed in the operation of oil-line pumping stations; cost of power purchased, fuel, lubricants, packing, waste, machine oil, gaskets, compound, and other supplies for operating pumps, boilers, and electric or other lighting apparatus used in connection with pumping stations; cost of steam and water bought; cleaning station buildings and maintaining grounds when the work is performed by station employees; and all other expenses incurred in connection with the operation of pumping stations.

§ 20.624 *Operation of oil tanks.* This account shall include the pay of tank tenders or gagers and other employees engaged in the operation of oil tanks, the cost of supplies used, and other expenses incurred in the operation of oil tanks.

§ 20.625 *Operation of delivery facilities.* This account shall include the pay of engineers, gagers, testers, car loaders, and other employees engaged in the operation of delivery facilities, and supplies used and expenses incurred in connection therewith.

§ 20.626 *Operation of communications systems.* This account shall include the pay of operators and messengers; the cost of chemicals, coppers, zincs, and other supplies for charging batteries; cost of fuel, light, and other supplies; and other expenses in connection with the operation of communication systems. (For rent of communication facilities see account 640, 690, 790, "Operating rents.")

§ 20.627 *Oil shortage.* This account shall include the amounts paid for oil and oil products lost, except by fire, in the course of transportation or during storage.

NOTE: Losses on account of destruction of oil and oil products by fire are provided for in account 639, 689, "Casualty losses."

§ 20.628 *Other expenses.* This account shall include all expenses in connection with transportation that are not properly chargeable to other transportation accounts.

General Office

§ 20.631 *General office salaries.* This account shall include the salaries of general officers directly in charge both of maintenance and operation of oil pipe

lines, including the pay of their assistants, clerks, and attendants.

§ 20.632 *General office supplies and expenses.* This account shall include the office, traveling, and other expenses of officers and employees whose salaries are includible in account 631, 681, 781, "General office salaries," or an equitable proportion thereof, including the cost of automobile and other vehicular service; cost of atlases, directories, periodicals, and other publications for office use; telephone and messenger service; express charges; telegraph and cable tolls; and other analogous items.

§ 20.633 *Law expenses.* This account shall include the pay and expenses of general attorneys, counsel, solicitors, and attorneys, their clerks and attendants, and expenses of their offices; cost of law books, printing of legal documents, recording documents, and security abstracts of records; fees and retainers of attorneys, payments to arbitrators, costs of suits, witness or other fees; and all law and court expenses not provided for elsewhere.

Other Expenses

§ 20.634 *Injuries to persons.* This account shall include all expenses (other than law expenses) on account of persons being killed or injured in the operation of pipe-line systems; including the pay and expenses of claim agents, investigators, and adjusters; medical and hospital fees and expenses, funeral expenses, payments in settlement of claims for personal injuries; and wages paid disabled employees while off duty.

§ 20.635 *Relief and pensions—(a) Pensions.* This account shall include pensions or gratuities paid out of the carrier's funds to retired employees or the heirs of former employees and the expenses solely in connection therewith.

(b) *Relief.* This account shall also include premiums on policies under which employees are insured and they or their heirs are the beneficiaries, and also expenses incurred and amounts contributed toward funds or other provisions, including sick benefits, for the relief of employees.

NOTE: In case the carrier's pension plan establishes an irrevocable or contractual obligation for the payment of pensions, it shall, when so authorized by this Commission, accrue reserves through charges to this account to cover its actual liability for such payments. Application to this Commission for authority to accrue such reserves through charges to this account shall contain a full statement of the facts which in the judgment of the carrier establishes an irrevocable or contractual obligation. This statement shall be accompanied by complete particulars of the carrier's pension plan. No charges to this account shall be made in anticipation of discretionary pension payments in the future.

§ 20.636 *Damage to property.* This account shall include amounts paid for damage to the property of others (except oil lost) on account of bursting of pipes or by other occurrences incident to the operation and maintenance of pipe lines, including amounts paid under court judgments or in compromise of actions.

§ 20.637 *Stationery and printing.* This account shall include the cost of postage, stationery, and stationery supplies used by all departments, including cost of printing reports, blanks, etc., except cost of printing briefs, legal forms, testimony, reports, etc., used in legal proceedings. (See account 633, 683, 783.)

§ 20.638 *Insurance.* This account shall include premiums (except reinsurance premiums) for insuring the accounting carrier against loss through injuries to persons or damage to or destruction or loss of property, whether caused by fire, accident, or other cause, when such loss to the accounting carrier would be chargeable to pipe-line operations or to account 74, "Accrued depreciation—Carrier property," also premiums on fidelity bonds of employees whose pay is chargeable to the accounts for pipe lines.

§ 20.639 *Casualty losses.* This account shall include losses on account of destruction of oil and payments on account of damage by fire to oil in transit or in storage for which the accounting carrier is responsible.

It shall also include the cost of repairing damage to the accounting carrier's plant when caused by fire, flood, tornado, earthquake, or other casualties.

To this account shall be credited insurance recovered on account of losses chargeable to this account.

NOTE: The accounting for the cost of replacing units of property destroyed by casualties shall be in accordance with § 20.0-38 *Retirements and replacements.*

§ 20.640 *Operating rents.* This account shall include rents payable for carrier property used in transportation service, including space in buildings occupied by the carrier, space in conduits, pole-line space for attachments, and the rent for carrier property not provided for elsewhere.

Items

Rent for use of general offices.
Rent for use of ducts, conduits, and subways.

Rent for use of wires and telegraph and telephone circuits.

Rent for a complete pipe line or section thereof.

Rent for land for carrier facilities.

Rent for longitudinal occupancy of land for pipe lines.

NOTE A. The expense incurred by the carrier in maintaining and operating property the rent for which is includible in this account shall be charged to the operating-expense account appropriate for owned property.

NOTE B: Taxes on leased carrier property shall be charged to account 412, "Pipe-line taxes," by the lessor.

§ 20.641 *Other expenses.* This account shall include all general operating expenses not properly chargeable to other general-expense accounts.

TRUNK LINES

Maintenance

§ 20.651 *Superintendence.* (For text of this section see § 20.601.)

§ 20.652 *Repairs of pipe lines.* (For text of this section see § 20.602.)

§ 20.654 *Repairs of buildings.* (For text of this section see § 20.604.)

§ 20.655 *Repairs of pumping stations.* (For text of this section see § 20.605.)

§ 20.656 *Repairs of oil tanks.* (For text of this section see § 20.606.)

§ 20.657 *Repairs of delivery facilities.* (For text of this section see § 20.607.)

§ 20.658 *Repairs of communication systems.* (For text of this section see § 20.608.)

§ 20.659 *Repairs of office furniture and equipment.* (For text of this section see § 20.609.)

§ 20.660 *Repairs of vehicles and other work equipment.* (For text of this section see § 20.610.)

§ 20.661 *Repairs of other property.* (For text of this section see § 20.611.)

§ 20.662 *Other expenses.* (For text of this section see § 20.612.)

§ 20.663 *Depreciation.* (For text of this section see § 20.613.)

§ 20.664 *Extraordinary retirements.* (For text of this section see § 20.614.)

Transportation

§ 20.671 *Superintendence.* (For text of this section see § 20.621.)

§ 20.672 *Operation of pipe lines.* (For text of this section see § 20.622.)

§ 20.673 *Operation of pumping stations.* (For text of this section see § 20.623.)

§ 20.674 *Operation of oil tanks.* (For text of this section see § 20.624.)

§ 20.675 *Operation of delivery facilities.* (For text of this section see § 20.625.)

§ 20.676 *Operation of communication systems.* (For text of this section see § 20.626.)

§ 20.677 *Oil shortage.* (For text of this section see § 20.627.)

§ 20.678 *Other expenses.* (For text of this section see § 20.628.)

General Office

§ 20.681 *General office salaries.* (For text of this section see § 20.631.)

§ 20.682 *General office supplies and expenses.* (For text of this section see § 20.632.)

§ 20.683 *Law expenses.* (For text of this section see § 20.633.)

Other Expenses

§ 20.684 *Injuries to persons.* (For text of this section see § 20.634.)

§ 20.685 *Relief and pensions.* (For text of this section see § 20.635.)

§ 20.686 *Damage to property.* (For text of this section see § 20.636.)

§ 20.687 *Stationery and printing.* (For text of this section see § 20.637.)

§ 20.688 *Insurance.* (For text of this section see § 20.638.)

§ 20.689 *Casualty losses.* (For text of this section see § 20.639.)

§ 20.690 *Operating rents.* (For text of this section see § 20.640.)

§ 20.691 *Other expenses.* (For text of this section see § 20.641.)

GENERAL CLEARING ACCOUNTS

Maintenance

§ 20.751 *Superintendence.* (For text of this section see § 20.601.)

§ 20.752 *Repairs of pipe lines.* (For text of this section see § 20.602.)

§ 20.754 *Repairs of buildings.* (For text of this section see § 20.604.)

§ 20.758 *Repairs of communication system.* (For text of this section see § 20.608.)

§ 20.759 *Repairs of office furniture and equipment.* (For text of this section see § 20.609.)

§ 20.761 *Repairs of other property.* (For text of this section see § 20.611.)

§ 20.762 *Other expenses.* (For text of this section see § 20.612.)

§ 20.763 *Depreciation.* (For text of this section see § 20.613.)

Transportation

§ 20.771 *Superintendence.* (For text of this section see § 20.621.)

§ 20.776 *Operation of communication systems.* (For text of this section see § 20.626.)

General Office

§ 20.781 *General office salaries.* (For text of this section see § 20.631.)

§ 20.782 *General office supplies and expenses.* (For text of this section see § 20.632.)

§ 20.783 *Law expenses.* (For text of this section see § 20.633.)

Other Expenses

§ 20.784 *Injuries to persons.* (For text of this section see § 20.634.)

§ 20.785 *Relief and pensions.* (For text of this section see § 20.635.)

§ 20.787 *Stationery and printing.* (For text of this section see § 20.637.)

§ 20.788 *Insurance.* (For text of this section see § 20.638.)

§ 20.790 *Operating rents.* (For text of this section see § 20.640.)

§ 20.791 *Other expenses.* (For text of this section see § 20.641.)

CLEARING ACCOUNTS INSTRUCTIONS

§ 20.0-91 *Purpose of clearing accounts.* The clearing accounts (801 to 804, inclusive) are designed to facilitate the distribution of certain items which usually affect more than one class of accounts. (See § 20.0-71 *Purpose of operating-expense accounts*, relating to operating-expense general clearing accounts.) Any such items which can properly be allocated to the appropriate primary accounts as they are incurred may be charged direct to those accounts.

CLEARING ACCOUNTS

§ 20.801 *Vehicles and other work equipment expenses.* (a) This account shall include the expenses of repairing

and operating vehicles, and other work equipment, including the expenses of operating garages and stables.

(b) This account shall be cleared by adding to the cost of the work performed through the use of such property, such amounts as will distribute such expenses equitably.

Items

Insurance against losses and damages to or by vehicles and other work equipment.

License fees for drivers.

Overages and shortages in material and supplies for vehicles and other work equipment.

Repairs of vehicles and other work equipment.

Supplies, such as food, fuel, gasoline, oil, tires, tubes, tire chains, soap, waste, sponges, measures, funnels, electric power, etc., used in the operation of vehicles and other work equipment garages, and stables.

Supervisors and their office and field forces, including inspectors, testers, garage men, and other employees, pay and expenses of.

NOTE: When the cost of maintaining and operating vehicles and other work equipment is directly chargeable to the accounts for gathering lines or for trunk lines, the expenses of maintaining and operating them may be charged direct to the accounts for gathering lines or trunk lines, instead of being cleared through this account.

§ 20.802 *Shop expenses.* (a) To this account shall be charged items of expense at shops and other places at which mechanical work is done, not assignable direct to specific accounts.

(b) For the purpose of securing an equitable assignment of shop expenses to the cost of the output of the shops, a separate clearing account shall be maintained for each shop plant.

(c) The shop expenses for each shop plant shall be apportioned each month among the various accounts to which are chargeable the directly assignable expenses of the plant. The apportionment of shop expenses to each account shall be based upon the ratio of the shop expenses to the total assigned labor of the shop plant. The carrier is permitted to make the monthly apportionments of shop expenses on the basis of percentage rates, provided these rates are currently adjusted, and provided further that the balance in this account for each shop plant shall be fully apportioned and distributed at the close of each calendar year.

(d) The expenses assignable to this account are as follows:

(1) *General shop employees.* The pay of general foremen in small shops, who exercise direct supervision over all departments unassisted by department foremen; the pay of department foremen, assistant department foremen, other supervising or directing employees, and their clerks; pay of chauffeurs and oilers; pay of sweepers, cleaners, and other unskilled laborers employed in general work in and about shops and shop grounds; pay of watchmen, gatekeepers, and policemen at shops and other places at which mechanical work is done; pay of employees while attending fires or fire drills; pay of employees while making, repairing, or having charge of small shop tools; and the pay of employees while regularly engaged in making shop delivery of material from warehouses.

(2) *Power.* The pay of stationary engineers, firemen, electricians, fuel handlers, and other employees engaged in production of power; cost of fuel used in steam and other power plants in producing power for shops and for other places at which mechanical work is done; cost of oil, grease, waste, and other material used in the operation of such power plants; cost of carbon brushes, fuses, lamps, picks, pokers, scuttles, shovels, and other small tools and supplies, and cost of water and power purchased.

(3) *Heating.* The cost of fuel and other supplies used for heating shops and other places at which mechanical work is done, shop offices, watchmen's, gatekeepers' and inspectors' boxes; and the pay of firemen, fuel handlers, and other employees engaged in operating heating boilers.

(4) *Lighting.* The cost of electric current, gas, oil, torches, lamp burners, lamp chimneys, lamps not permanently attached to buildings, incandescent lamps and flood lights, and other material used in lighting shops and shop offices and other places at which mechanical work is done, and cost of material used and labor expended in operating electric-light plants and repairing electric light and other lamps at shops.

(5) *Shop supplies.* Fuel for forge and other shop work; supplies and small tools used by mechanics and other employees engaged in construction or repair work; test-room and laboratory supplies used in connection with shop work; lubricating material for shop machinery and tools; water used at shops and shop offices and other places at which mechanical work is done; and other supplies used generally in shop work.

(6) *Incidental expenses.* Watchmen's uniforms, clocks, and call boxes; traveling expenses connected with the operation of shops not directly chargeable to other accounts; removal of snow and ice from shop yards when removed by shop employees; cost of ice for shops; and other undistributed shop expenses.

(7) *Balance.* The balance in this account shall be included in account 28, "Other deferred debits."

§ 20.803 *Material store expenses.* (a) To this account shall be charged expenses directly incurred in connection with purchasing, handling, and storing material in and distributing it from the carrier's warehouses, including the pay of employees in the store departments and their traveling, office, and other expenses. The pay and expenses of men employed in inspecting a single class of material shall be added as store expenses to the cost of that particular material.

(b) The total amount of warehouse expenses charged to this account shall be so distributed among the accounts to which material has been charged that the amounts thus distributed will be, for each account, in proportion to the value of the material consumed chargeable thereto. To avoid monthly fluctuations in the ratio of store expenses to the value of material purchased or issued, carriers may make a monthly apportionment on the basis of fair percentage rates, provided the store-expense account be ad-

justed and closed out at the end of each calendar year.

(c) The monthly balance in this account shall be included in account 28, "Other deferred debits."

§ 20.804 *Machine tools and machinery; maintenance.* (a) This account shall include the cost of repairs of machine tools and machinery.

(b) This account shall be cleared by adding to the cost of the work performed through the use of such property, such amounts as will distribute such expenses equitably.

NOTE A: The cost of labor expended and material consumed in the operation of machine tools and machinery shall be charged direct to the work in connection with which such property is operated.

NOTE B: The depreciation charges for machine tools and machinery shall be included in account 613, 663, 763, "Depreciation." Charges to other than the operating-expense accounts to cover depreciation on such property shall be credited to account 503, 553, "Rent revenues."

APPENDIX A

LIST OF ACCOUNTING UNITS OF PROPERTY

[Note Instruction 6]

(a) This list of units is established for the purpose of designating items of carrier property, the book cost of which shall be credited to the carrier-property accounts at the time of retirement for replacement. When the measure of a unit is a stated quantity it shall be construed as including that quantity or quantity greater than the stated quantity.

(b) There shall be credited also to the carrier-property accounts the book cost (estimated if not known) of any minor item of property retired and replaced with a part of a different type or design or constructed of a different grade of material rendering the part applied more or less durable or of a greater or less capacity than the item retired.

(c) The book cost of all property retired and not replaced shall be credited to the carrier-property accounts.

102, 152, Rights-of-way.

A section of right-of-way.

103, 153, Line pipe.

1,500 feet of pipe 6 inches in diameter or larger contained in a continuous section.
3,000 feet of pipe of less than 6 inches in diameter contained in a continuous section.

104, 154, Line-pipe fittings.

Fittings for pipe-lines 6 inches or more in diameter contained in a continuous section of 1,500 feet of line pipe.

Fittings for pipe-lines less than 6 inches in diameter contained in a continuous section of 3,000 feet of line pipe.

105, 155, Pipe-line construction.

The construction cost pertaining to a unit of line pipe.

106, 156, 176, Buildings.

A complete building.

An entire roof with or without supporting members.

A complete fire escape.

A complete heating system.

An elevator complete with operating mechanism.

107, 157, Boilers.

A complete boiler.

108, 158, Pumping equipment.

A complete engine with or without foundation.

A complete pump with or without foundation.

A power-transmission system.

- 109, 159, 179, Machine tools and machinery.
A machine tool.
A foundation special to a machine.
A motor, generator, steam engine, pump, ventilating fan, or other similar equipment.
A coal-handling system.
An ash-handling system.
A furnace.
A boiler.
- 110, 160, Other station equipment.
Each complete item of property, the book cost of which was charged to the carrier-property account.
- 111, 161, Oil tanks.
A complete oil tank with or without grade and fire walls.
A fire wall.
A tank grade.
- 112, 162, Delivery facilities.
A motor, generator, engine, pump, or similar equipment.
A delivery-pipe system.
A complete wharf.
A section of wharf.
A pile cluster or dolphin.
A complete loading or unloading rack.
A complete railroad siding.
- 113, 163, 183, Communication systems.
Telegraph and telephone terminal equipment.
A complete switchboard.
Telegraph and telephone outside plant.
A continuous section of 1 mile of aerial wire.
A section of 1,000 feet of aerial cable.
A section of 500 feet of submarine cable.
A section of 500 feet of conduit.
A continuous section of 35 poles.
A case of equipment, such as loading coil or autotransformer.
Radio and wireless equipment.
A transmitting set.
A receiving set.
An antenna, complete, or without supports.
- 114, 164, 184, Office furniture and equipment.
Each complete item of furniture or equipment the book cost of which was charged to the carrier-property account, such as:
A desk, chair, table, davenport, typewriter, computing machine; a section of bookcase, filing cabinet; rug, carpet, or other floor covering for one room.
- 115, 165, 185, Vehicles and other work equipment.
Each complete item of equipment the original cost of which was charged to the carrier-property account, such as:
A passenger automobile or truck with or without body; a tractor; a pole derrick, power winch, earth-boring machine, or trailer.
- 116, 166, 186, Other property.
Each complete item of property the book cost of which was charged to the carrier-property account.

By the Commission, Division 1.

[SEAL]

W. P. BARTEL,
Secretary.

[F. R. Doc. 47-8956; Filed, Oct. 2, 1947;
8:57 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service, Department of the Interior

PART 8—PROCLAMATIONS DESIGNATING AREAS CLOSED TO HUNTING

ALEXANDER COUNTY, ILLINOIS

CROSS REFERENCE: For an addition to the tabulation contained in § 8.1, see

Proclamation 2748 under Title 3 *supra*, designating certain portions of Alexan-

der County, Illinois, as a closed area with regard to hunting of all species of wild geese.

TITLE 20—EMPLOYEES' BENEFITS

Chapter III—Social Security Administration (Old-Age and Survivors Insurance), Federal Security Agency

[Reg. No. 3, amended]

PART 403—FEDERAL OLD-AGE AND SURVIVORS INSURANCE

BENEFITS IN CASE OF DECEASED WORLD WAR II VETERANS

Regulations No. 3, as amended (20 CFR, Cum. Sup., 403.1 et seq.), are further amended as follows:

1. The statutory provision from section 210 (e) of the act preceding § 403.1002 is amended to read as follows:

SECTION 210 (E) OF THE ACT (60 STAT. 901)

For the purposes of this section the term "date of the termination of World War II" means the date proclaimed by the President as the date of such termination, or the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever is the earlier. [By section 3 of the act of July 25, 1947 (Public Law 239, 80th Congress), the date of the termination of World War II for the purposes of this section is July 25, 1947.]

2. Section 403.1002 is amended by amending example 2 thereof to read as follows:

§ 403.1002 Requirements under section 210 (a) * * *

Example 2: V enlists in the Army in July 1945, is honorably discharged on July 27, 1951, and dies in 1953.

World War II was officially terminated on July 25, 1947, for the purpose of paying benefits pursuant to section 210. V does not meet the requirements of this section since he was separated from active service more than 4 years and 1 day after the end of the war.

If V had been discharged on or before July 26, 1951, he would meet the requirements of this section.

3. Section 403.1004, paragraphs (b) and (d) are amended to read:

§ 403.1004 Meaning of terms. * * *

(b) Active service of 90 days means one or more periods totaling at least 90 days (whether or not consecutive) which are served after September 15, 1940, and before July 25, 1947. Where 90 days were not served wholly after September 15, 1940, and before July 25, 1947, but such service began prior to September 16, 1940, and concluded on or after that date, or began prior to July 25, 1947, and concluded on or after that date, the requirement of active service of 90 days is met only if such service of 90 days was continuous. Active service of 90 days is not necessary in the case of a veteran who was in active service on or after September 16, 1940, and before July 25, 1947, and who is separated therefrom by reason of a disability or injury incurred or aggravated in service in line of duty.

Example. V enters the Army on July 25, 1940, and continues in active service until his honorable discharge on October 31, 1940. 46 days of this service was performed beginning with September 16, 1940.

V has the requisite number of days of active service since he had more than 90 days of continuous service extending into the period beginning with September 16, 1940.

If V had been discharged on or after September 16, 1940, for a disability incurred in service in line of duty he would meet the service requirement even though his period of service was less than 90 days.

(d) Date of the termination of World War II means, for the purposes of this subpart, July 25, 1947.

(Sec. 1102, 49 Stat. 647, sec. 205 (a), 53 Stat. 1368; 42 U. S. C. 1302, 405 (a) sec. 4 of Reorganization Plan No. 2 of 1946, 60 Stat. 1095; 45 CFR, 1946 Supp., 1.21)

Dated: September 24, 1947.

[SEAL] A. J. ALTMAYER,
Commissioner for Social Security.

Approved: September 29, 1947.

OSCAR R. EWING,
Federal Security Administrator.

[F. R. Doc. 47-8334; Filed, Oct. 2, 1947;
8:45 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter XXIII—War Assets Administration

[Reg. 9, Amdt. 1]

PART 8309—CONTRACTOR INVENTORY AND DISPOSALS BY OWNING AGENCIES

War Assets Administration Regulation 9, June 6, 1947, entitled "Contractor Inventory and Disposals by Owning Agencies" (12 F. R. 3833) is hereby amended by changing § 8309.15 (c) (1) to read as follows:

§ 8309.15 Sale of small lots. * * *

(c) (1) Where property is of such a nature and in such small quantities, that the owning agency finds that the cost of care, handling, and disposition of such property may exceed the estimated proceeds of sale if declared surplus, then in such event and upon such finding, the owning agency is authorized to sell at the best price obtainable any item or group of identical items, normally constituting a single entry on WAA Form 1001,¹ the cost of which (estimated if not known) does not exceed one thousand (1,000) dollars: *Provided*, That the property has not been determined to be a "special case" and therefore to be declared surplus as provided in § 8309.55 under this part.

(Surplus Property Act of 1944, as amended (58 Stat. 765, as amended; 50 U. S. C. App. Sup. 1611) Pub. Law 181, 79th Cong. (59 Stat. 533; 50 U. S. C. App. Sup. 1614a, 1614b) and Reorganization Plan 1 of 1947 (12 F. R. 4534))

This amendment shall become effective September 29, 1947.

ROBERT M. LITTLEJOHN,
Administrator

SEPTEMBER 29, 1947.

[F. R. Doc. 47-8375; Filed, Oct. 1, 1947;
4:01 p. m.]

¹Reg. 1, Order 3 (11 F. R. 6774, 9572, 14430).

²Reg. 9, Order 5 (11 F. R. 10222).

[Reg. 9,¹ Amdt. 1 to Order 5]

PART 8309—CONTRACTOR INVENTORY AND DISPOSALS BY OWNING AGENCIES

SPECIAL CASES OF SMALL LOTS TO BE DECLARED SURPLUS

War Assets Administration Regulation 9, Order 5, September 9, 1946, entitled "Special Cases of Small Lots to be De-

clared Surplus" (11 F. R. 10222) is hereby amended in the following respect:

The reference to § 8309.16 (b) in the preamble and in the opening paragraph of § 8309.55 is hereby changed to § 8309.15 (b).

(Surplus Property Act of 1944, as amended (58 Stat. 765, as amended; 50 U. S. C. App. Sup. 1611), Pub. Law 181, 79th Cong. (59 Stat. 533; 50 U. S. C. App.

Sup. 1614a, 1614b) and Reorganization Plan 1 of 1947 (12 F. R. 4534))

This amendment shall become effective September 29, 1947.

ROBERT M. LITTLEJOHN,
Administrator

SEPTEMBER 29, 1947.

[F. R. Doc. 47-8974; Filed, Oct. 1, 1947; 4:01 p. m.]

NOTICES

TREASURY DEPARTMENT

Bureau of Customs

[T. D. 51755]

PRODUCTS OF BRITISH MALAYSIA AND COLONY OF SINGAPORE

MARKING OF COUNTRY OF ORIGIN

SEPTEMBER 24, 1947.

Marking to indicate the name of the country of origin of articles manufactured or produced in British Malaysia and the Colony of Singapore. T. D.'s 45611 (9) 47071 (8) and 47209 (2) rescinded, and T. D. 48833 (1) amended.

The Department of State has informed the Bureau of Customs that British Malaya was divided into the Malayan Union and the Colony of Singapore; that the markings "Straits Settlements," "Federated Malay States," "Unfederated Malay States," "Non Federated Malay States," and "British Malaya," are no longer appropriate on articles from that area.

The Colony of Singapore includes the Island of Singapore, Christmas Island, and the Cocos Islands. Of the other areas or places mentioned in T. D.'s 45611 (9) 47071 (8) 47209 (2) and that portion of T. D. 48833 (1) relating to the "Straits Settlements," "Federated Malay States," "Unfederated Malay States," "Non Federated Malay States," and "British Malaya," all are now included in the Malayan Union with the exception of British North Borneo, Brunei, and Sarawak, and of Labuan Island which is now under British North Borneo.

The area comprising the Malayan Union, British North Borneo, Brunei, and Sarawak is known as British Malaysia.

Following is a list of acceptable markings to indicate the name of the country of origin, under the marking provisions of the Tariff Act of 1930, as amended, of articles imported into the United States from the territories in question:

Place	Acceptable marking
Malayan Union.....	British Malaysia.
Colony of Singapore..	Singapore.
British North Borneo..	British North Borneo or British Malaysia.
Brunei	Brunei or British Malaysia.
Sarawak	Sarawak or British Malaysia.

T. D.'s 45611 (9), 47071 (8) and 47209 (2) are rescinded, and T. D. 48833 (1) is amended accordingly, except that either

¹ 12 F. R. 3833.

the markings specified therein for the territories in question, or the markings listed above, shall be acceptable on articles arriving in the United States before the expiration of 30 days after the publication of this decision in the weekly Treasury Decisions.

The entries for the territories in question in Item 3 of Bulletin of Marking Rulings—3 are superseded accordingly.

[SEAL] FRANK DOW,
Acting Commissioner of Customs.

[F. R. Doc. 47-8923; Filed, Oct. 2, 1947; 8:47 a. m.]

Office of the Secretary

[T. D. 51758]

ITALIAN LIRA

CONVERSION OF CURRENCY

SEPTEMBER 26, 1947.

Collection of estimated duties in cases involving conversion of Italian lira.

Reference is made to the daily buying rates for foreign exchange which section 522 (c) of the Tariff Act of 1930 (31 U. S. C. 372 (c)) directs the Federal Reserve Bank of New York to certify to the Secretary of the Treasury. The Federal Reserve Bank of New York has certified for dates beginning on June 13, 1946, two rates for the Italian lira, designated "official" and "free."

In any case where it is necessary to determine the proper rate or rates for Italian lire for the purpose of the assessment and collection of duties on merchandise which has been exported to the United States on or after June 13, 1946, or is so exported hereafter, the appraiser and collector shall, respectively, continue the practice of withholding appraisal and suspending liquidation pending receipt of further instructions. In such cases collectors of customs shall require the deposit of estimated duties in an amount determined by the use of the official rate.

The Customs Information Exchange will keep the field informed, solely for purposes of calculating estimated duties, regarding the official rates which are certified for the Italian lira.

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 47-8922; Filed, Oct. 2, 1947; 8:46 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Misc. 486701; 2139861]

MONTANA

ORDER PROVIDING FOR OPENING OF PUBLIC LANDS RESTORED FROM SUN RIVER PROJECT

SEPTEMBER 11, 1947.

An order of the Bureau of Reclamation dated March 6, 1947, concurred in by the Director, Bureau of Land Management March 6, 1947, revoked Departmental Orders of September 20, 1904 and April 30, 1908, so far as they withdraw the land hereinafter described, in connection with the Sun River Project, Montana, in the first and second form prescribed by section 3 of the Reclamation Act of June 17, 1902 (32 Stat. 388), and Departmental Order dated April 10, 1947, revoked Departmental Order dated January 29, 1915, which reserved the land for a community center under the provisions of the act of October 5, 1914 (38 Stat. 727) and provided that such revocations shall not affect the withdrawal of any other land by said orders or affect any other order withdrawing or reserving the land described.

At 10:00 a. m. on November 12, 1947, the lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-day period for preference-right filings.* For a period of 90 days from November 13, 1947, to February 12, 1948, inclusive, the public lands affected by this order shall be subject to (1) application under the homestead or the desert land laws, or the small tract act of June 1, 1938 (52 Stat. 609, 43 U. S. C. sec. 682a) as amended, by qualified veterans of World War II, for whose service recognition is granted by the act of September 27, 1944 (58 Stat. 747, 43 U. S. C. secs. 279-283) subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications by such veterans shall be subject to claims of the classes described in subdivision (2)

(b) *Twenty-day advance period for simultaneous preference-right filings.* For a period of 20 days from October 24,

1947, to November 12, 1947, inclusive, such veterans and persons claiming preference rights superior to those of such veterans, may present their applications, and all such applications, together with those presented at 10:00 a. m. on November 13, 1947, shall be treated as simultaneously filed.

(c) *Date for non-preference right filings authorized by the public-land laws.* Commencing at 10:00 a. m. on February 13, 1948, any of the lands remaining unappropriated shall become subject to such application, petition, location, or selection by the public generally as may be authorized by the public-land laws.

(d) *Twenty-day advance period for simultaneous nonpreference right filings.* Applications by the general public may be presented during the 20-day period from January 24, 1948, to February 12, 1948, inclusive, and all such applications, together with those presented at 10:00 a. m. on February 13, 1948, shall be treated as simultaneously filed.

Veterans shall accompany their applications with certified copies of their certificates of discharge, or other satisfactory evidence of their military or naval service. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated affidavits in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the District Land Office at Great Falls, Mont., shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations (Circular No. 324, May 22, 1914, 43 L. D. 254) and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations and applications under the desert land laws and the small tract act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the District Land Office at Great Falls, Mont.

The lands affected by this order are described as follows:

PRINCIPAL MERIDIAN, MONTANA

T. 20 N., R. 1 W.,
Sec. 20, W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$.

The area described aggregates 10 acres.

FRED W JOHNSON,
Director.

[F. R. Doc. 47-8912; Filed, Oct. 2, 1947;
8:45 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

SCRIPPS-HOWARD RADIO, INC., ET AL.

CONTINUANCE OF ORAL ARGUMENT

The Commission today postponed oral argument on the following matters presently scheduled for October 3, 1947 until 9:30 a. m. October 9, 1947, to be heard in Room 6121 in the order indicated:

Docket No.

6971----- WCFO, Scripps-Howard Radio, Inc., Cincinnati, Ohio; 630 kc 1 kw N 5 kw D Unl.
6972----- Queen City Broadcasting, Inc., Cincinnati, Ohio; 630 kc 1 kw N 5 kw D DA-U.
6973----- WLAP, American Broadcasting Corp., Lexington, Ky.; 630 kc 1 kw N 5 kw D DA-U.

1ST ARGUMENT

6839----- Coast Ventura Co., Ventura, Calif., 1450 kc 250 w Unlimited.
6840----- Ventura Broadcasters, Inc., Ventura, Calif., 1450 kc 250 w Unlimited.

2D ARGUMENT

7254----- Earle C. Anthony, Los Angeles, Calif., petition on Los Angeles Television Channel Assignments.

3D ARGUMENT

6626----- Broadcasting Service Organizations, Inc., Boston, Mass. (WORL); petition for reconsideration on rehearing.

4TH ARGUMENT

Dated: September 23, 1947.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 47-8920; Filed, Oct. 2, 1947;
8:45 a. m.]

PATRICK JOSEPH STANTON ET AL.

CONTINUANCE OF ORAL ARGUMENT

The Commission today postponed oral argument on the following matters presently scheduled for October 6, 1947, until 9:30 a. m. October 10, 1947, to be heard in Room 6121 in the order indicated:

1ST ARGUMENT

Class "B" FM

Docket No.
7646 Patrick Joseph Stanton, Philadelphia Area.

2D ARGUMENT

Class "B" FM

7462 The Yankee Network, Inc., Bridgeport, Conn.
7463 The Traveler's Broadcasting Service Corp., Bridgeport, Conn.
7464 Harry F. Guggenheim, Bridgeport, Conn.
7465 Harold Thomas, Bridgeport, Conn.
7745 The Bridgeport Herald Corp., Bridgeport, Conn.
7908 The Fairfield Broadcasting Co., Danbury, Conn.

3D ARGUMENT

Class "B" FM

7036 United Broadcasting Co., Cleveland, Ohio.
7039 National Broadcasting Co., Inc., Cleveland, Ohio.
7040 WJW, Inc., Cleveland, Ohio.
7042 UAW-CIO Broadcasting Corp. of Ohio, Cleveland, Ohio.
7043 WGAR Broadcasting Co., Cleveland, Ohio.
7044 Scripps-Howard Radio, Inc., Cleveland, Ohio.
7045 Telair Co., Cleveland, Ohio.
7046 Cleveland Broadcasting Co., Cleveland, Ohio.
7047 Allen T. Simmons, Akron, Ohio.
7048 Summit Radio Corp., Akron, Ohio.
7522 Elyria-Lorain Broadcasting Co. Elyria, Ohio.

Dated: September 23, 1947.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 47-8327; Filed, Oct. 2, 1947;
8:45 a. m.]

MRS. W. J. VIRGIN ET AL

CONTINUANCE OF ORAL ARGUMENT

The Commission today postponed oral argument on the following matters presently scheduled for October 2, 1947, until 9:30 a. m. October 8, 1947, to be heard in Room 6121 in the order indicated:

Docket No.

7928----- KMED, Mrs. W. J. Virgin, assignor. For assignment of license of KMED.
7929----- Gibson Broadcasting Co., Assignee.
B5-APH-8,
B5-AL-536---- Medford Radio Corp., Assignee, Medford, Oreg.

1ST ARGUMENT

2D ARGUMENT

6807----- WJEM, Inc., Lansing, Mich., 550 kc, 1 kw, U.
7401----- Cincinnati Times-Star Co. (WKRC), Cincinnati, Ohio; 550 kc, 5 kw, U.

3D ARGUMENT

7087----- Norfolk Broadcasting Corp., Norfolk, Va., 1220 kc, 250 w, Day.
7390----- Tidewater Broadcasting Corp., Norfolk, Va., 1230 kc, 100 w, U.

4TH ARGUMENT

7425----- Lycoming County Broadcasting Co., Williamsport, Pa., 1340 kc, 250 w, U.
7427----- Williamsport Radio Broadcasting Associates, Williamsport, Pa., 1340 kc, 250 w, U.

Dated: September 23, 1947.

[SEAL]

FEDERAL COMMUNICATIONS COMMISSION,
T. J. SLOWIE,
Secretary.

[F. R. Doc. 47-8928; Filed, Oct. 2, 1947; 8:45 a. m.]

BERKSHIRE BROADCASTING CORP., DANBURY, CONN.

NOTICE CONCERNING THE PROPOSED TRANSFER OF CONTROL¹

The Commission hereby gives notice that on September 22, 1947, there was filed with it an application (BTC-575) for its consent under section 310 (b) of the Communications Act to the proposed transfer of control of Berkshire Broadcasting Corporation, permittee of WLAD and WLAD-FM, from Lazarus S. Heyman, Burton F. Sherwood and William Hanna (sellers) to John P. Previdi, Cecil J. Previdi, Robert J. Doran and John C. Doran (purchasers). The proposal to transfer control arises out of a contract of September 2, 1947, pursuant to which the purchasers agreed to purchase from the sellers 290 shares (72.5%) of the \$100 par value common voting stock of Berkshire Broadcasting Corporation, permittee of WLAD and WLAD-FM, for a total consideration not to exceed \$39,000 (\$29,000 for the stock and an amount not to exceed \$10,000 which the purchasers agreed to advance to said Berkshire Broadcasting Corporation to complete construction of the two stations). Further information as to the arrangements may be found with the application and associated papers which are on file at the offices of the Commission in Washington, D. C.

Pursuant to § 1.321 which sets out the procedure to be followed in such cases including the requirement for public notice concerning the filing of the application, the Commission was advised by applicant on September 22, 1947 that starting on September 24, 1947, notice of the filing of the application would be inserted in the Danbury News-Times, a newspaper of general circulation, at Danbury, Connecticut, in conformity with the above section.

In accordance with the procedure set out in said section, no action will be had upon the application for a period of 60 days from September 24, 1947, within which time other persons desiring to apply for the facilities involved may do so upon the same terms and conditions as set forth in the above described contract.

(Sec. 310 (b) 48 Stat. 1086; 47 U. S. C. 310 (b))

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] **T. J. SLOWIE,**
Secretary.

[F. R. Doc. 47-8929; Filed, Oct. 2, 1947; 8:46 a. m.]

PATROON BROADCASTING CO., INC., ALBANY, N. Y.

NOTICE CONCERNING THE PROPOSED TRANSFER OF CONTROL¹

The Commission hereby gives notice that on September 19, 1947, there was filed with it an application (BTC-573) for its consent under section 310 (b) of the Communications Act to the proposed

transfer of control of Patroon Broadcasting Company, Inc., permittee of WPTR, Albany, New York, from Harold E. Blodgett, agent for Richmond Merrill, George W. Foy, John T. DeGroff, George H. Borthwick, George E. O'Connor, Edward M. Toole, Irving L. Simon, Murray C. Smouse, Theodore Sonnenfeld and J. Glenn Prescott (sellers) to Schine Chain Theaters, Inc., (purchasers). The proposal to transfer control arises out of a contract of September 12, 1947, pursuant to which the purchasers agree to purchase 1000 shares (100%) of the \$100 par value preferred non-voting stock and 1100 shares (55%) of \$1.00 par value common voting stock of Patroon Broadcasting Company, Inc., permittee of WPTR, Albany, New York, for a total consideration of \$101,000. The purchasers further agreed to extend loans to the corporation in the amount of \$50,000 and will subscribe to the additional 400 shares of the \$100 par value preferred stock. Further information as to the arrangements may be found with the application and associated papers which are on file at the offices of the Commission in Washington, D. C.

Pursuant to § 1.321 which sets out the procedure to be followed in such cases including the requirement for public notice concerning the filing of the application, the Commission was advised by applicant on September 19, 1947, that starting on September 19, 1947, notice of the filing of the application would be inserted in "The Albany Times Union" a newspaper of general circulation, at Albany, New York, in conformity with the above section.

In accordance with the procedure set out in said section, no action will be had upon the application for a period of 60 days from September 19, 1947, within which time other persons desiring to apply for the facilities involved may do so upon the same terms and conditions as set forth in the above-described contract.

(Sec. 310 (b) 48 Stat. 1086; 47 U. S. C. 310 (b))

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] **T. J. SLOWIE,**
Secretary.

[F. R. Doc. 47-8930; Filed, Oct. 2, 1947; 8:46 a. m.]

AM STATION WFEA AND PERMIT FOR WVMA, MANCHESTER, N. H.

NOTICE CONCERNING PROPOSED ASSIGNMENT OF LICENSE¹

The Commission hereby gives notice that on September 19, 1947, there were filed with it applications (BAL-650 and BAFH-48) for its consent under section 310 (b) of the Communications Act to the proposed assignment of license of AM station WFEA and permit for FM station WVMA, Manchester, New Hampshire, from WFEA, Inc., and Harry M. Bitner, Sr., individually, to New Hampshire Broadcasting Company, Inc. The proposal to assign these facilities arises out of a contract of August 30, 1947, pursuant to which WFEA, Inc. (corporation 100% owned by Harry M. Bitner, Sr.)

and Harry M. Bitner, Sr. (individual permittee of FM station WVMA, also at Manchester, New Hampshire) agreed to sell the physical assets of WFEA, Inc., and to assign the license of WFEA and the construction permit for WVMA to New Hampshire Broadcasting Company, Inc., for a total consideration of \$170,000. The total purchase price is payable within 25 days following the effective date of the order of the Commission consenting to the assignment. Purchaser further agreed to reimburse Bitner for funds expended in the construction of FM station WVMA (amounting to \$1,250 to date). Further information as to the arrangements may be found with the applications and associated papers which are on file at the offices of the Commission in Washington, D. C.

Pursuant to § 1.321 which sets out the procedure to be followed in such cases including the requirement for public notice concerning the filing of the applications, the Commission was advised by applicant that starting on September 22, 1947, notice of the filing of the applications would be inserted in a newspaper of general circulation at Manchester, New Hampshire in conformity with the above section.

In accordance with the procedure set out in said section no action will be had upon the applications for a period of 60 days from September 22, 1947, within which time other persons desiring to apply for the facilities involved may do so upon the same terms and conditions as set forth in the above described contract.

(Sec. 310 (b) 48 Stat. 1086; 47 U. S. C. 310 (b))

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] **T. J. SLOWIE,**
Secretary.

[F. R. Doc. 47-8931; Filed, Oct. 2, 1947; 8:46 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-585]

ALABAMA-TENNESSEE NATURAL GAS CO.

ORDER FIXING DATE OF HEARING

SEPTEMBER 29, 1947.

Upon consideration of the application filed October 9, 1944, by Alabama-Tennessee Natural Gas Company (applicant) a Delaware corporation having its principal place of business at Florence, Alabama, for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural-gas facilities, subject to the jurisdiction of the Commission as fully described in such application on file with the Commission and open to public inspection, public notice thereof having been given, including publication in the FEDERAL REGISTER on October 17, 1944 (9 F. R. 12555-6)

It appearing to the Commission that:

(a) At the request of applicant filed on May 14, 1947, the Commission by its order of May 16, 1947, consolidated the proceedings upon the application at Docket No. G-585 with the proceedings

¹ Section 1.321, Part 1, Rules of Practice and Procedure.

upon the applications at Docket Nos. G-796 and G-889 for the purpose of hearing thereon which commenced on May 26, 1947.

(b) On May 26, 1947, at said hearing, counsel for the applicant orally requested the trial examiner to grant postponement of the hearing in order to afford further opportunity for the preparation of exhibits and other data in support of a proposed amendment to its application and also requested leave to file such amendment.

(c) In accordance with applicant's request the Commission on May 28, 1947, severed the proceedings at Docket No. G-585 from such consolidated proceedings and postponed hearing upon the application without date.

The Commission orders that:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's provisional rules of practice and regulations (effective July 11, 1938) a public hearing be held commencing on October 20, 1947, at 10:00 a. m. (e. s. t.) in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, N. W., Washington, D. C., concerning the matters involved and the issues presented by the application and other pleadings in this proceeding.

(B) Interested State commissions may participate in this hearing as provided in § 67.4 of the said provisional rules of practice and regulations.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-8925; Filed, Oct. 2, 1947;
8:47 a. m.]

[Docket No. G-901]

KENTUCKY NATURAL GAS CORP.

ORDER GRANTING PETITION FOR LEAVE TO
AMEND APPLICATION AND TO REOPEN PRO-
CEEDINGS AND FIXING DATE OF HEARING

SEPTEMBER 29, 1947.

Upon consideration of the amended application and petition filed on September 11, 1947, by Kentucky Natural Gas Corporation (Applicant) to reopen the proceedings herein for the purpose of taking additional evidence; and

It appearing to the Commission that:

(a) A hearing in these proceedings was held at Washington, D. C., on August 18, 1947, and on that day adjourned sine die.

(b) No final order or rule has been entered by the Commission in said matter.

(c) In its amended application and petition to reopen the proceedings herein, Applicant states that both Indiana Gas & Chemical Corporation and Terre Haute Gas Corporation now desire that the sales of gas contemplated by the original application be made directly by Applicant to Terre Haute Gas Corporation, rather than to Indiana Gas & Chemical Corporation as heretofore proposed.

(d) On September 12, 1947, Terre Haute Gas Corporation filed a petition seeking leave to intervene in the proceedings herein in the event of a reopening thereof, stating, among other things, that it had additional evidence which should be presented in the record herein.

(e) No objection has been filed to Applicant's above-mentioned amended application and petition to reopen the proceedings herein.

The Commission, therefore, orders that:

(A) The said petition of Applicant for leave to amend its application and to reopen the proceedings herein for the purpose of taking additional evidence be and it hereby is granted.

(B) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure (effective September 11, 1946), a further hearing herein be held commencing on October 6, 1947, at 9:45 a. m. (e. s. t.) in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application, as amended.

(C) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure (effective September 11, 1946)

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-8911; Filed, Oct. 2, 1947;
8:45 a. m.]

INTERSTATE COMMERCE COMMISSION

[S. O. 396, Special Permit 295]

RECONSIGNMENT OF LETTUCE AT CHICAGO,
ILL.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Chicago, Ill., Sept. 25, 1947, by D. Leo & Sons, of car NWX 1306, lettuce, now on the Wabash to Elsner Grocery Co., Campaign, Ill.

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it

with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 25th day of September 1947.

HOMER C. KING,
Director
Bureau of Service.

[F. R. Doc. 47-8919; Filed, Oct. 2, 1947;
8:46 a. m.]

[S. O. 396, Special Permit 196]

RECONSIGNMENT OF GRAPES AT CHICAGO,
ILL.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Chicago, Ill., September 25, 1947, by E. Y. Foley Co., of car PFE 50224, grapes, now on the CNW to O'Donnell Fruit Co., Pittsburgh, Pa. (PRR)

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 25th day of September 1947.

HOMER C. KING,
Director,
Bureau of Service.

[F. R. Doc. 47-8920; Filed, Oct. 2, 1947;
8:46 a. m.]

[S. O. 396, Special Permit 297]

RECONSIGNMENT OF PRUNES AT
PHILADELPHIA, PA.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Phila., Pa., Sept. 25, 1947, by H. Rothman Co., of car WFE 66023, prunes, now on the PRR to E. E. Fadler Co., New York, N. Y. (PRR).

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement

under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 25th day of September 1947.

HOMER C. KING,
Director
Bureau of Service.

[F. R. Doc. 47-8921; Filed, Oct. 2, 1947;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 54-130]

INTERSTATE POWER CO. AND OGDEN CORP. SUPPLEMENTAL ORDER DENYING PERMISSION FOR DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 25th day of September A. D. 1947.

The Commission having entered an order on January 24, 1947 (Holding Company Act Release No. 7159) approving a plan for the reorganization of Interstate Power Company ("Interstate"), a registered holding company, subject to a condition reserving jurisdiction, among other things, with respect to prices and spreads of new securities to be issued and sold at competitive bidding pursuant to the plan; and the District Court of the United States for the District of Delaware having entered an order on April 24, 1947, approving said plan subject to the terms and conditions of the Commission's order of January 24, 1947; and

The Commission having entered an order on September 11, 1947 (Holding Company Act Release No. 7707) permitting to become effective declarations filed by Interstate in respect of certain transactions relating to said plan, including the following:

(a) The issue and sale by Interstate, pursuant to competitive bidding, of \$19,400,000 principal amount of first mortgage bonds, ---% Series, due 1977;

(b) In case Alternative One of the plan is made effective, the issue and sale by Interstate, pursuant to competitive bidding, of so many shares of its new common stock, not exceeding 2,700,000 shares of the 3,000,000 shares to be initially outstanding, as may be required to provide Interstate with \$18,610,500 (or if said amount of \$18,610,500 shall not be exactly divisible by the net price per share, then the least greater amount that shall be so exactly divisible) and, in addition to the foregoing issue and sale of common stock, the issue and sale to the successful bidder or bidders for the common stock as above described, and at the same price per share, of 10.084% of the balance of said 3,000,000 shares of common stock;

(c) In case Alternative Two of the plan is made effective, the issue and sale by Interstate, pursuant to competitive bidding, of so many shares, not exceeding 3,000,000 shares, of its new com-

mon stock as may be required to provide Interstate, with \$8,635,500 (or if said amount of \$8,635,500 shall not be exactly divisible by the net price per share, then the least greater amount that shall be so exactly divisible)

The Commission's aforesaid order of September 11, 1947, containing, among other things, the following terms and conditions in respect of the issue and sale of new first mortgage bonds and of new common stock by Interstate:

1. That the proposed issue and sale by Interstate of new first mortgage bonds and of common stock shall not be consummated until the results of competitive bidding pursuant to Rule U-50 shall have been made a matter of record in this proceeding, and a further order shall have been entered by the Commission in light of the record as so completed, which order may contain such further terms and conditions as may then be deemed appropriate;

The Commission having issued a notice of and order for hearing on September 11, 1947 (Holding Company Act Release No. 7708) setting a date for a public hearing on the results of competitive bidding in respect of Interstate's new securities, and said notice and order stating, among others, the following issue:

2. Whether, in light of the Commission's findings and opinion of January 20, 1947, and supplemental findings and order of January 24, 1947, approving the plan, the issuance and sale of shares of Interstate's new common stock at the price proposed to be paid to Interstate by the successful bidder or bidders would effectuate a plan which would be fair and equitable to the persons affected thereby, and whether such issuance and sale should be approved;

Interstate having filed an amendment to its declaration stating that its new first mortgage bonds and new common stock have been offered for sale pursuant to the competitive bidding requirements of Rule U-50, and that the following bids were received:

FOR THE BONDS

Bidder	Coupon	Price to company	Cost to company
Halsey, Stuart & Co., Inc....	Percent 3½	101.80	3.40
Harriman Ripley & Co., Inc.....	3½	101.62	3.42
Lehman Bros., Goldman Sachs & Co. and The First Boston Corp.....	3½	100.300	3.43

FOR THE COMMON STOCK

Under Alternative One: No bids.
Under Alternative Two:

Bidder	Price per share to company	Number shares bid for
Lehman Bros., Goldman Sachs & Co. & Wertheim & Co.....	\$4.05	2,132,223
Harriman Ripley & Co., Inc.....	3.872422	2,220,000

It appearing that Interstate has declared Alternative Two of the plan effective; that subject to the Commission's approval, Interstate has accepted the bid of Halsey, Stuart & Co., Inc., for the bonds, as set forth above, pursuant to which they would be offered for sale to the public at a price of 102.80% of the principal amount plus accrued interest from June 1, 1947 to the date of delivery,

resulting in an underwriting spread of 0.90%, and that, subject to the Commission's approval, Interstate has accepted the bid of Lehman Bros., Goldman Sachs & Co., and Wertheim & Company, as set forth above, for the common stock, pursuant to which the shares bid for would be offered for sale to the public at \$4.75 per share, resulting in an underwriting spread of \$0.70 per share, or 14.74% of the public offering price;

A hearing having been held in respect of the aforesaid matters pursuant to said notice and order of September 11, 1947, and the Commission having considered the record herein, having heard oral argument, and finding that the issuance and sale of Interstate's new common stock at the price proposed to be paid to Interstate by the successful bidders would not effectuate a plan which would be fair and equitable to the persons affected thereby; and

It further appearing that the bid for said new First Mortgage Bonds is conditioned upon the company's receiving payment of \$8,635,500 for shares of the new common stock, and cannot be accepted unless a bid for shares of the new common stock is contemporaneously accepted;

It is therefore ordered, That the declaration of Interstate in respect of the proposed issuance and sale of new First Mortgage Bonds and new common stock, as amended September 25, 1947, be and it hereby is denied permission to become effective.

An opinion will issue in due course.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 47-8913; Filed, Oct. 2, 1947;
8:45 a. m.]

[File No. 70-1623]

LONG ISLAND LIGHTING CO.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 26th day of September 1947.

Long Island Lighting Company ("Long Island") a registered holding company, having filed a declaration, pursuant to section 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("Act") with respect to the following transaction:

Long Island proposes to issue and sell for cash at principal amount to four commercial banks an aggregate of \$5,000,000 principal amount of eleven month notes which will bear interest at the rate of 1¼% per annum. An aggregate of \$2,000,000 principal amount of such notes will be issued not later than October 10, 1947; \$1,500,000 principal amount not later than November 30, 1947; and the remaining \$1,500,000 principal amount not later than December 31, 1947. The net cash proceeds of the sale of the notes are to be used for construction requirements.

Such declaration, having been duly filed, and notice of said filing having

been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission not having received a request for hearing with respect to said declaration within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding that no adverse findings are necessary with respect to the declaration, and deeming it appropriate in the public interest and in the interest of investors and consumers that said declaration be permitted to become effective, and deeming it appropriate to grant a request of declarant that the order become effective at the earliest date possible:

It is hereby ordered, Pursuant to Rule U-23 and the applicable provisions of the act, and subject to the terms and conditions prescribed in Rule U-24, that the declaration be, and the same hereby is, permitted to become effective forthwith.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 47-8914; Filed Oct. 2, 1947;
8:45 a. m.]

[File No. 54-142]

AMERICAN WATER WORKS AND ELECTRIC
CO., INC., ET AL.

SUPPLEMENTAL ORDER PERMITTING DECLARATION
TO BECOME EFFECTIVE AND RELEASING
JURISDICTION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 25th day of September A. D. 1947.

In the matter of American Water Works and Electric Company, Inc., American Water Works Company, Inc., (formerly American Communities Company) Community Water Service Company, Ohio Cities Water Corporation, West Penn Railways Company, The West Penn Electric Company. File No. 54-142.

The Commission on February 17, 1947, adopted and published its supplemental findings and opinion and order in the above captioned matter wherein, among other things, certain plans pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 were found fair and equitable. The order approving the plans, among other things, authorized American Water Works Company, Incorporated, ("Waterworks Holding Company") a direct subsidiary of American Water Works and Electric Company, Incorporated ("American") a registered holding company, to solicit bids, pursuant to Rule U-50, for new common stock proposed to be issued and sold by said company. Said order reserved jurisdiction with respect to, among other things, the material and methods to be used by American and its associate companies in connection with any solicitations of the public holders of the capital stocks of Community Water Service Company

("Community") and preferred stock of Ohio Cities Water Corporation ("Ohio Cities") both indirect subsidiaries of American; the terms and provisions of an escrow agreement to be executed by American in connection with the satisfaction and discharge of its publicly held preferred stock, and the terms and provisions of all promissory notes to be issued by any of the subsidiary companies of American in connection with the carrying out of the transactions proposed in the plans.

An amendment having now been filed containing copies of the proposed solicitation material, escrow agreement and promissory notes, setting forth the action taken to comply with the requirements of Rule U-50 and stating that pursuant to the invitation for competitive bids the following bids were received:

Name of group representative	Price bid	Compensation to underwriters	Net price to company
W. C. Langley & Co., First Boston Corp.	Per share \$8.00	Per share \$9.00	Per share \$7.00

It appearing that Waterworks Holding Company has accepted the bid of W. C. Langley & Co.-First Boston Corporation for a price of \$8 per share to the public with a compensation to the underwriters of 50 cents per share, leaving a net to the company of \$7.50; that the proposed solicitation material, escrow agreement and promissory notes do not contravene the standards of the Act; and that the transactions, contemplated in the plans herein approved by our order of February 17, 1947, are about to be consummated in obedience to and within the time prescribed by said previous order;

It is ordered, That the declaration of Waterworks Holding Company with respect to the issuance and sale of its new securities, as amended, be, and the same hereby is, permitted to become effective forthwith subject to the terms and conditions prescribed by Rule U-24;

It is further ordered, That jurisdiction heretofore reserved with respect to the material and methods that may be used in connection with any solicitations of the public holders of the capital stocks of Community or preferred stocks of Ohio Cities in connection with discharge and satisfaction of said stocks; the terms and provisions of the escrow agreement to be entered into by American respecting provisions for the payment of the premium, if any, applicable to its preferred stock; the terms and provisions of any and all promissory notes to be issued by subsidiaries of American in connection with the consummation of the transactions embraced by the plans, be, and the same hereby is released, all other reservations of jurisdiction and provisions of our order of February 17, 1947 remaining in full force and effect.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 47-8915; Filed, Oct. 2, 1947;
8:45 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616, E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9557, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9783, Oct. 14, 1946, 11 F. R. 11931.

[Vesting Order 9757]

ERICH HELLMANN AND RUDOLF A. MAHN

In re: Stock owned by Erich Hellmann and debt owing to Rudolf A. Mahn.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9783, and pursuant to law, after investigation, it is hereby found:

1. That Erich Hellmann, whose last known address is 27 Quedlinburger Strasse, Halberstadt, Saxony, Germany, and Rudolf A. Mahn, whose last known address is Brieg Bez, Breslau, Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the property described as follows:

a. Two hundred (200) shares of \$1.00 par value capital stock of Shawkey Gold Mining Company, Limited, Toronto, Canada, a corporation organized under the laws of the Dominion of Canada, evidenced by certificate number 14282, registered in the name of McCuaig Bros. & Co., and presently in the possession of the Attorney General of the United States, in account number 28-200145, together with all declared and unpaid dividends thereon, and any and all rights of exchange thereunder and thereof, and

b. Certain debt or other obligation owing to Rudolf A. Mahn, by American Express Company, 65 Broadway, New York 6, New York, in the amount of \$100.00 as of December 8, 1945, and any and all accruals thereto, evidenced by five (5) travelers checks, numbered B21111450 to B21111454, both numbers inclusive, presently in the possession of the Attorney General of the United States, in account number 28-200142, and any and all rights to demand, enforce and collect the aforementioned debt or other obligation, together with any and all rights in, to and under, including particularly, but not limited to, the rights to possession and presentation for collection and payment of the aforesaid travelers checks,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany).

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate con-

sultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 4, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8935; Filed, Oct. 2, 1947;
8:55 a. m.]

[Vesting Order 9762]

HERMANN KUH

In re: Stock, bonds, receipt and bank account owned by Hermann Kuh. F-28-6814-A-1, F-28-6814-E-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Hermann Kuh, whose last known address is Tokyo, Japan, is a resident of Japan and a national of a designated enemy country (Japan)

2. That the property described as follows:

a. Thirty-five (35) shares of \$12.50 par value common capital stock of The National City Bank of New York, 55 Wall Street, New York, New York, evidenced by certificates numbered C09117 and C09118 for twenty (20) and fifteen (15) shares respectively, registered in the name of Hurley & Co. and presently in the custody of aforesaid The National City Bank of New York, together with all declared and unpaid dividends thereon,

b. One (1) Chicago, Milwaukee, St. Paul & Pacific Railroad Company Series A 5% bond, due February 1, 1975, of \$1,000 face value, bearing number M53129 and presently in the custody of Bankers Trust Company, 16 Wall Street, New York, New York, together with any and all rights thereunder and thereto,

c. One (1) Savoy-Plaza Corporation realty extension first mortgage $5\frac{1}{2}\%$ sinking fund loan certificate, due December 1, 1945, of \$1,000 face value, bearing number M2640 and presently in the custody of The National City Bank of New York, 55 Wall Street, New York, New York, together with any and all rights thereunder and thereto,

d. One (1) receipt of New York Trust Company for United Light & Power Company 6% debenture gold bonds, series of 1925, due November 1, 1975, said receipt being registered in the name of Hermann Kuh and being presently in the custody of The National City Bank of New York, 55 Wall Street, New York,

New York, together with any and all rights thereunder and thereto, and

e. That certain debt or other obligation owing to Hermann Kuh by The National City Bank of New York, 55 Wall Street, New York, New York, arising out of a clean credit deposit account entitled Mr. Hermann Kuh, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by the aforesaid national of a designated enemy country (Japan)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 4, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8936; Filed, Oct. 2, 1947;
8:55 a. m.]

[Vesting Order 9780]

WILLMAR O. DAMM

In re: Estate of Willmar O. Damm, deceased. File No. D-28-10435; E. T. sec. 14826.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Klara Kallenberg (niece of the decedent) Lina Luttig (niece of the decedent) Otto Weickardt (nephew of the decedent) Hildegard Gessner (grandniece of decedent) Minna Weickardt (grandniece of decedent) Agnes Weickardt (grandniece of decedent) Klara Kollet (grandniece of decedent) Grete Stiborski (grandniece of decedent) Wilmar Rummel (nephew of the decedent) Martin Rummel (nephew of the decedent), Franz Rummel (nephew of the decedent) Emma Wolf (grandniece of the decedent), Agnes Ilski (grandniece of the decedent) Hilda Sanger (grandniece of the decedent) Emma Kohlemann (niece

of the decedent), Martha Beau (niece of the decedent), Friedrich Uhlendorf (nephew of the decedent), Ottilie Wagner (niece of the decedent), Ida Mehl (niece of the decedent), and Otto Ehrhardt (nephew of the decedent), whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraph 1 hereof in and to the estate of Willmar O. Damm, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany),

3. That such property is in the process of administration by Gertrude A. Barleben, as Administratrix, acting under the judicial supervision of the Suffolk County Probate Court, Boston, Massachusetts;

and it is hereby determined:

4. That to the extent that the persons identified in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 12, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8937; Filed, Oct. 2, 1947;
8:55 a. m.]

[Vesting Order 9801]

ANNIE H. WOHLKE

In re: Estate of Annie H. Wohlke, deceased. File No. 017-18580.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Eleanor Sengstack, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That all right, title, interest and claim of any kind or character whatsoever of the person identified in subparagraph 1 hereof in and to the estate of Annie H. Wohlke, deceased, is property payable or deliverable to, or claimed by, the aforesaid national of a designated enemy country (Germany),

3. That such property is in the process of administration by Rudolph Koster and Frederick W Wagener, as executors, acting under the judicial supervision of the Surrogate's Court of Kings County, New York;

and it is hereby determined:

4. That to the extent that the person identified in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 12, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8938; Filed, Oct. 2, 1947;
8:56 a. m.]

[Vesting Order 9803]

FRANCES ARMING

In re: Estate of Frances Arming, deceased. File D-28-11888; E. T. sec. 16070.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Joseph Friedrich Manfred Weirich, Willibald Weirich and Alexa Weirich, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country, (Germany)

2. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraph 1 hereof, and each of them, in and to the estate of Frances Arming, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany)

3. That such property is in the process of administration by Herman Richter and Emma Clara Van Leuven, as executors, acting under the judicial supervision of the Surrogate's Court of Kings County, New York;

and it is hereby determined:

4. That to the extent that the persons identified in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as

nationals of a designated enemy country, (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8939; Filed, Oct. 2, 1947;
8:56 a. m.]

[Vesting Order 9319]

ACKERMANN AND FRITZE LUXUS-PORZELLAN-FABRIK

In re: Debt owing to Ackermann & Fritze Luxus-Porzellan-Fabrik. F-28-23689-C-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ackermann & Fritze Luxus-Porzellan-Fabrik, the last known address of which is Rudolstadt, Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany and is a national of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obligation owing to Ackermann & Fritze Luxus-Porzellan-Fabrik, by The Keepnews Company, 225 Fifth Avenue, New York, New York, in the amount of \$997.00, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8940; Filed, Oct. 2, 1947;
8:56 a. m.]

[Vesting Order 9323]

MARGA DIETRICH

In re: Bank account owned by Marga Dietrich. F-28-28510-E-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Marga Dietrich, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany)

2. That the property described as follows: That certain debt or other obligation of The Bank for Savings in the City of New York, 280 Fourth Avenue, New York 10, New York, arising out of a savings account, account number 1,473,033, entitled Rudolf Lesch in trust for Marga Dietrich, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Marga Dietrich, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall

have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-8941; Filed, Oct. 2, 1947;
8:56 a. m.]

[Vesting Order 9824]

DOITSU SEIKO K. K.

In re: Debt owing to Doitsu Seiko K. K. F-39-327-C-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Doitsu Seiko K. K., the last known address of which is Tokyo, Japan, is a corporation organized under the laws of Japan and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Japan, and is a national of a designated enemy country (Japan)

2. That the property described as follows: That certain debt or other obligation owing to Doitsu Seiko K. K., by Alexander Benecke, 347 Madison Avenue, New York, New York, in the amount of \$27.23, as of December 31, 1945, presently in the possession of the Attorney General of the United States in Collection Account, Symbol 896-027, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-8942; Filed, Oct. 2, 1947;
8:56 a. m.]

[Vesting Order 9825]

ADOLF DONAT, JR., ET AL.

In re: Bank accounts owned by Adolf Donat, Jr., and others. F-28-3730-C-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Adolf Donat, Jr., Grete Giese, also known as Grete Donat Giese, Louise Bernstein, also known as Louisa Liebetzen Bernstein, Louise Siegemund, also known as Louisa Donat Siegemund, Margarete Franz, also known as Margarete Liegemund Frank, also known as Gretchen Franz and Ludwig Donat, whose last known addresses are Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the property described as follows: Those certain debts or other obligations owing to the persons whose names are set forth in Exhibit A, attached hereto and by reference made a part hereof, by American Trust Company, 464 California Street, San Francisco, California, arising out of Savings Accounts numbered and entitled as set forth opposite the names of each of the aforesaid persons, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Adolf Donat, Jr., Grete Giese, also known as Grete Donat Giese, Louise Bernstein, also

known as Louisa Liebetzen Bernstein, Louise Siegemund, also known as Louisa Donat Siegemund, Margarete Franz, also known as Margarete Liegemund Frank, also known as Gretchen Franz, the aforesaid nationals of a designated enemy country (Germany),

3. That the property described as follows: That certain debt or other obligation owing to Ludwig Donat, by Anglo California National Bank, San Francisco, California, arising out of a Savings Account, account number 27969, entitled Ludwig Donat, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Ludwig Donat, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

Name of owner	Title of account	Account No.	OAP File No.
Adolf Donat, Jr.	Adolf Donat, Jr.	6361	F-28-3729-E-1.
Grete Giese, also known as Grete Donat Giese.	Grete Giese.	6364	F-28-3729-E-1.
Louise Bernstein, also known as Louisa Liebetzen Bernstein.	Louise Bernstein, nee Liebetzen.	6373	F-28-3729-E-1.
Louise Siegemund, also known as Louisa Donat Siegemund.	Louise Siegemund.	6422	F-28-3729-E-1.
Margarete Franz, also known as Margarete Liegemund Frank, also known as Gretchen Franz.	Margarete Franz, nee Liegemund.	6496	F-28-3133-E-1.

[F. R. Doc. 47-8943; Filed, Oct. 2, 1947; 8:57 a. m.]

[Vesting Order 9826]

JOHANNES FRITZE

In re: Debt owing to Johannes Fritze, F-28-7646-C-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Execu-

tive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Johannes Fritze, whose last known address is Hamburg, Germany, is a resident of Germany and a national of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obliga-

tion owing to Johannes Fritze, by Langer, Parry, Card & Langner, 120 East 41st Street, New York 17, New York, in the amount of \$295.83, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8944; Filed, Oct. 2, 1947;
8:57 a. m.]

[Vesting Order 9829]

K. KAWASHIMA AND MAX PAETAU

In re: Debts owing to K. Kawashima and Max Paetau. F-39-1491-C-1, F-28-17289-C-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That K. Kawashima, whose last known address is 30 Tosabori, 1-Chome, Osaka, Japan, is a resident of Japan and a national of a designated enemy country (Japan)

2. That Max Paetau, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany),

3. That the property described as follows: That certain debt or other obligation owing to K. Kawashima, by Sun Chemical Corporation, 100 Sixth Avenue, New York 13, N. Y., in the amount of \$1,376.00 as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

No. 194—8

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Japan),

4. That the property described as follows: That certain debt or other obligation of Sun Chemical Corporation, 100 Sixth Avenue, New York 13, N. Y., appearing on its books as an account payable to Max Paetau & Company, in the amount of \$72.94 as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

5. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Japan)

6. That to the extent that the person named in subparagraph 2 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-8945; Filed, Oct. 2, 1947;
8:57 a. m.]

[Vesting Order 9830]

JOHANNA LACHMAN

In re: Debts owing to Johanna Lachman. F-28-17135-C-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Johanna Lachman, whose last known address is Berlin, Germany, is a resident of Germany and a national

of a designated enemy country (Germany)

2. That the property described as follows:

a. That certain debt or other obligation owing to Johanna Lachman, by New York Life Insurance Company, 51 Madison Avenue, New York, New York, in the amount of \$949.64, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation owing to Johanna Lachman, by New York Life Insurance Company, 51 Madison Avenue, New York, New York, in the amount of \$193.17, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany)

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director Office of Alien Property.

[F. R. Doc. 47-8946; Filed, Oct. 2, 1947;
8:57 a. m.]

[Vesting Order 9831]

ANNA AND ROBERT MICHAELIS

In re: Bank account owned by Anna Michaelis and Robert Michaelis. F-28-4049-E-2.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Michaelis and Robert Michaelis, whose last known addresses are Hamburg, Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obligation owing to Anna Michaelis and Robert Michaelis, by East River Savings Bank, 26 Cortlandt Street, New York 7, New York, arising out of a Savings Account, account number 66510, entitled Robert Michaelis or Mrs. Anna Michaelis, maintained at the branch office of the aforesaid bank located at 743 Amsterdam Avenue, New York 25, New York, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-8947; Filed, Oct. 2, 1947; 8:57 a. m.]

[Vesting Order 9833]

REIS & Co. A. G.

In re: Debt owing to Reis & Company A. G.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Reis & Company A. G., the last known address of which is Mannheim-Friedrichsfeld, Germany, is a corporation organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany and is a national of a designated enemy country (Germany),

2. That the property described as follows: That certain debt or other obligation owing to Reis & Company A. G., by Reis & Company, Inc., c/o Office of Alien

Property, 120 Broadway, New York. New York, in the amount of \$87.29, as of August 11, 1947, together with any and all accruals thereto and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany),

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 15, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-8948; Filed, Oct. 2, 1947; 8:57 a. m.]

[Vesting Order 9798]

JACOB SIEGEL

In re: Estate of Jacob Siegel, deceased. File No. D-28-11947; E. T. sec. 16116.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Lottchen Unna and Willie Ott, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country, (Germany)

2. That the issue, names unknown, of Lottchen Unna, and the issue, names unknown, of Willie Ott, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country, (Germany)

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of Jacob Siegel, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country, (Germany);

4. That such property is in the process of administration by Amanda G. Siegel, as Sole Surviving Executrix, acting under the judicial supervision of the Surrogate's Court of New York County, State of New York;

and it is hereby determined:

5. That to the extent that the persons identified in subparagraph 1, and the issue, names unknown, of Lottchen Unna, and the issue, names unknown, of Willie Ott, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country, (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on September 12, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 47-8906; Filed, Oct. 1, 1947; 8:45 a. m.]

[Vesting Order OE 408]

COSTS AND EXPENSES INCURRED IN CERTAIN ACTIONS OR PROCEEDINGS IN CERTAIN MASSACHUSETTS, RHODE ISLAND, NEW HAMPSHIRE AND CONNECTICUT COURTS

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it having been found:

1. That each of the persons named in Column 1 of Exhibit A, attached hereto and by reference made a part hereof, was a person within the designated enemy country or the enemy-occupied territory identified in Column 2 of said Exhibit A opposite such person's name;

2. That it was in the interest of the United States to take measures in connection with representing each of said persons in the court or administrative action or proceeding identified in Column 3 of said Exhibit A opposite such person's name, and such measures having been taken;

3. That, in taking such measures in each of such actions or proceedings, costs and expenses have been incurred in the amount stated in Column 4 of said Exhibit A opposite the action or proceeding identified in Column 3 of said Exhibit A,

Now, therefore, there is hereby vested in the Attorney General of the United States, to be used or otherwise dealt with in the interest of and for the benefit of the United States, interests in the prop-

erty which said persons obtain or are determined to have as a result of said actions or proceedings in amounts equal to the sums stated in Column 4 of said Exhibit A.

The term "designated enemy country" as used herein shall have the mean-

ing prescribed in section 10 of Executive Order 9193, as amended. The term "enemy-occupied territory" as used herein shall have the meaning prescribed in Rules of Procedure, Office of Alien Property, § 501.6 (8 CFR, Cum. Supp., 503.6)

Executed at Washington, D. C., on September 24, 1947.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

Column 1 Name	Column 2 Country or territory	Column 3 Action or proceeding	Column 4 Sum vested
		<i>Item 1</i>	
Thaddia M. Kleczkowska	France	Trust under the will of Frederic Tudor, deceased. Suffolk County Probate Court No. 43225, Boston, Mass.	\$80.00
Marpha Kleczkowska	do	Same	80.00
Theodore Kleczkowski	do	Same	80.00
		<i>Item 2</i>	
Eleanor Marion Crawford Bocca	Italy	Estate of Agnes C. Sterer, deceased. Probate Court, City of Newport, R. I., No. 7442.	25.00
Princess Elizabeth Andronikoff	do	Same	6.00
North American College	do	Same	25.00
		<i>Item 3</i>	
Mariana Cecelski	Poland	Estate of Apollonia Trefethen, deceased. Rockingham County Probate Court, Exeter, N. H., docket No. 31703.	20.00
Teofil Cecelski	do	Same	20.00
		<i>Item 4</i>	
Ethel Crovo DeFerrari	Italy	Estate of Rosa Crovo, deceased. Probate Court, District of Meriden, State of Connecticut.	83.00
		<i>Item 5</i>	
Peter Kodis	Lithuania	Estate of Frank Kodis, deceased. Suffolk County Probate Court No. 204715, Massachusetts.	10.00
Joseph Kodis	do	Same	10.00
Josefina Kirus	do	Same	10.00
Petronele Baltrusaitiene	do	Same	10.00
		<i>Item 6</i>	
Aniela Adamowska	Poland	Trust under the will of Timotheus Adamowski, deceased. Suffolk County Probate Court No. 312163, Massachusetts.	41.00
Janina Koss and Dzidzia Koss and Alinka Ocho-decka	do	Same	40.00

[F. R. Doc. 47-8908; Filed, Oct. 1, 1947; 8:45 a. m.]

